DEED OF LEASE

THIS DEED OF LEASE (this "Lease") is made as of the 22 day of September, 2000 (the "Date of Lease"), by ROCK CREEK M, LLC, a Maryland limited liability company ("Landlord"), and MONTGOMERY COUNTY, MARYLAND, a body politic and corporate, and a political subdivision of the State of Maryland (sometimes referred as "Tenant" and at other times referred to as "County"). Landlord and Tenant are sometimes collectively referred to herein as the "parties".

Landlord and Tenant, intending legally to be bound, hereby covenant and agree as set forth below.

ARTICLE I BASIC LEASE PROVISIONS

The following terms, when used herein, shall have the meanings set forth below.

- 1.1 <u>Premises</u>. For purposes of this Lease, the gross rentable square footage of the Premises shall be deemed to be 48,002 square feet, located in (and consisting of a portion of) the Building as outlined on Exhibit A-1 attached hereto and made a part hereof.
- Building. The building containing approximately 63,594 rentable square feet known as Building Number 2 of The Campus at Metro Park North, as shown on Exhibit A-2 attached hereto and made a part hereof, and all alterations, additions, improvements, restorations or replacements now or hereafter made thereto, with an address of: 7300 Calhoun Place, Rockville, Maryland 20855.
 - 1.3 <u>Term.</u> One Hundred Eighty (180) months.
 - 1.4 Commencement Date. December 1, 2000.
 - 1.5 Expiration Date. November 30, 2015
- 1.6 Base Rent. \$19.75 for each rentable square foot of the Premises for the first Lease Year which is equal to a total of \$948,039.50 for the first Lease Year payable in equal monthly installments of \$79,003.29 each. The Base Rent shall be increased annually by an amount equal to three and one-half percent (3.5%) of the Base Rent for the previous Lease Year, commencing with the second Lease Year, in accordance with the following schedule:

Lease	Annual Rent Year Per Square Foot	Annual Base Rent	<u>Monthly</u> <u>Installment</u>
12/ 1	\$19.75	\$948,039.50	\$79,003.29
12/012	\$20.44	\$981,220.88	\$81,768.41
12/0/3	\$21.16	\$1,015,563.61	\$84,630.30
12/034	\$21.90	\$1,051,108.34	\$87,592.36
17/04/5	\$22.66	\$1,087,897.13	\$90,658.09
12/056	\$23.46	\$1,125,973.53	\$93,831.13
o, 7	\$24.28	\$1,165,382.61	\$97,115.22
8 ra	\$25.13	\$1,206,171.00	\$100,514.25
08 9	\$26.01	\$1,248,386.98	\$104,032.25
69 10	\$26.92	\$1,292,080.53	\$107,673.38
11	. \$27.86	\$1,337,303.34	\$111,441.95
12	\$28.83	\$1,384,108.96	\$115,342.41
13	\$29.84	\$1,432,552.78	\$119,379.40
14	\$30.89	\$1,482,692.12	\$123,557.68
15	\$31.97	\$1,534,586.35	\$127,882.20

- 1.7 <u>Security Deposit</u>. Not Applicable.
- 1.8 <u>Tenant's Proportionate Share of Common Area Expenses</u>. 75.48% of the Common Area Expenses allocable to the Building which is based upon the Premises containing 48,002 rentable square feet of the Building containing a total of 63,594 rentable square feet.
- 1.9 <u>Tenant's Proportionate Share of Real Estate Taxes</u>. 75.48% of the Real Estate Taxes allocable to the Building which is based upon the Premises containing 48,002 rentable square feet of the Building containing a total of 63,594 rentable square feet.
- 1.10 <u>Parking Space Allocation</u>. 3.0 spaces per 1,000 square feet of Premises, which shall be in unreserved, non-exclusive parking spaces available in the Parking Facilities.
- 1.11 <u>Permitted Use</u>. General office and administrative use. It is expressly understood and agreed that the Premises are to be used by Tenant solely for the operation of the following County agencies: Family Services Division (FSD) Police; Department of Juvenile Justice; Child and Adolescent Forensic Evaluation Services (CAFES) HHS; Substance Abuse Screening for Children and Adolescents (SASCA) HHS; Juvenile Justice Case Management (JJCM) HHS; Juvenile

Assessment Center Coordination (JACC); CWS/Child Protective Services - HHS; and Shared Facility Support. No other agency of the County shall be permitted to utilize the Premises without Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed, provided that, without limitation, it will not be unreasonable for Landlord to deny its consent to the use of the Premises by any agency (i) whose operations are not reasonably consistent with the operation of a first class office project, (ii) which poses an unreasonable security or environmental risk, (iii) which involves higher parking requirements than are provided for under this Lease, and/or (iv) which proposes to use the Premises other than for general office and administrative purposes. In no event will Tenant be permitted to use the Premises as a welfare office or a detention center. Article 10 of this Lease contains additional covenants regarding Tenant's Permitted Use of the Premises.

1.12 [Intentionally Deleted]

1.13 Broker(s). Landlord's: Transwestern Carey Winston, L.L.C.

Tenant's: None

1.14 <u>Landlord's Address</u>. c/o Crimson Partners, L.C.

455 Spring Park Place

Suite 100

Herndon, Virginia 22070 Attn: R. Kevin Dougherty

With a copy to: Mark S. Tenenbaum, Esq.

Tenenbaum & Saas, P.C. 4330 East-West Highway

Suite 1150

Bethesda, MD 20814

1.15 Tenant's Address. Division of Facilities and Services

Department of Public Works and Transportation

110 N. Washington Street, Suite 318

Rockville, MD 20850 Attn: Leasing Management

1.16 <u>Base Year</u>. The Base Year for calculation of Common Area Expenses and Real Estate Taxes shall be Calendar Year 2001.

ARTICLE 2 DEFINITIONS

The following terms, when used herein, shall have the meanings set forth below.

2.1 Additional Rent. As defined in Section 5.3.

- 2.2 <u>Agents</u>. Officers, partners, directors, employees and agents of either Party, and, with respect to Tenant only, licensees, customers and invitees (but only while within the Premises).
- 2.3 <u>Alterations</u>. Alterations, decorations, additions or improvements of any kind or nature to the Premises or the Building, whether structural or non-structural, interior, exterior or otherwise.
- 2.4 <u>Calendar Year</u>. A period of twelve (12) months commencing on each January 1 during the Term and ending on December 31 of that same year.
- 2.5 <u>Common Area</u>. All areas, improvements, facilities and equipment from time to time designated by Landlord for the common use or benefit of Tenant, other tenants of the Building and their Agents, including, without limitation, roadways, entrances and exits, landscaped areas, open areas, exterior lighting, service drives, loading areas, pedestrian walkways, sidewalks, stairs, ramps, maintenance and utility rooms and closets, exterior utility lines, common window areas, common trash areas and Parking Facilities.
 - 2.6 Common Area Expenses. As defined in Section 7.2.
 - 2.7 Event of Default. As defined in Article 22.
- 2.8 <u>Herein, hereafter, hereunder and hereof</u>. Under this Lease, including, without limitation, all Exhibits and any Riders.
- 2.9 <u>Including and/or includes</u>. Including, but not limited to, and/or includes, without limitation. The term "including" and like terms used in this Lease to identify particular items as being related to (or examples of) a descriptive term, phrase or provision shall, unless where expressly indicated to the contrary, be viewed as non-exclusive, and the identification of particular items, or use of such examples, shall not limit any other item or example which fits within the particular descriptive term, phrase or provision.
- 2.10 <u>Interest Rate</u>. Per annum interest rate listed as the base rate on corporate loans at large U.S. money center commercial banks as published from time to time under "Money Rates" in the <u>Wall Street Journal</u> plus three (3 %), but in no event greater than the maximum rate permitted by law. In the event the <u>Wall Street Journal</u> ceases to publish such rates, Landlord shall choose at Landlord's sole discretion a similar publication which publishes such rates.
- 2.11 <u>Land</u>. The piece or parcel of land described in Exhibit A-2 and all rights, easements and appurtenances thereunto belonging or pertaining, or such portion thereof as shall be allocated by Landlord to the Building.
- 2.12 <u>Lease Year</u>. Each consecutive twelve (12) month period elapsing after (i) the Commencement Date if the Commencement Date occurs on the first day of a month, or (ii) the first

day of the month following the Commencement Date if the Commencement Date does not occur on the first day of a month.

- 2.13 <u>Mortgage</u>. Any mortgage, deed of trust, security interest or title retention interest affecting the Building or the Land.
- 2.14 <u>Mortgagee</u>. The holder of any note or obligation secured by a mortgage, deed of trust, security interest or title retention interest affecting the Building or the Land, including lessors under ground leases, sale-leasebacks and lease-leasebacks.
- 2.15 <u>Parking Facilities</u>. All parking areas now or hereafter made available by Landlord for use by tenants of the Building, including, without limitation, open-air and structured parking under or within the Building, whether reserved, non-exclusive or otherwise.
 - 2.16 <u>Project</u>. The Campus at Metro Park North business park.
 - 2.17 <u>Real Estate Taxes</u>. As defined in Article 8.
 - 2.18 Rent. Base Rent and Additional Rent.
- 2.19 <u>Rules and Regulations</u>. The rules and regulations set forth in <u>Exhibit C</u> attached hereto and made a part hereof, as the same may be amended or supplemented from time to time.
- 2.20 <u>Substantial Completion</u>. As defined in the Work Agreement attached hereto and made a part hereof as <u>Exhibit B</u>.
- 2.21 <u>Substantial Part</u>. More than fifty percent (50%) of the rentable square feet of the Premises or the Building, as the case may be.
- 2.22 The Campus at Metro Park North. The planned office development owned by Landlord as of the date hereof, consisting of approximately 14.3 acres, as the same may be improved, modified, reconfigured, expanded and/or contracted from time to time in Landlord's discretion. As of the date hereof, The Campus at Metro Park North is planned to consist of four office buildings totaling approximately 189,138 square feet (41,867 s.f., 63,594 s.f., 55,851 s.f., and 27,826 s.f.).
 - 2.23 <u>Work Agreement</u>. As set forth in <u>Exhibit B</u> attached hereto and made a part of.

ARTICLE 3 THE PREMISES

3.1 <u>Lease of Premises</u>. In consideration of the agreements contained herein, Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, for the Term and upon the terms and conditions hereinafter provided. As an appurtenance to the Premises,

Tenant shall have the non-exclusive right, together with other tenants of the Building and their Agents, to use the Common Area. Landlord shall retain absolute dominion and control over the Common Area and shall operate and maintain the Common Area in such manner as Landlord, in its sole discretion, shall determine; provided, however such exclusive right shall not operate to prohibit Tenant from its use of the Premises for the Permitted Use. Landlord expressly reserves the right permanently to change, modify or eliminate, or temporarily to close, any portion of the Common Area. The Premises are leased subject to, and Tenant agrees not to violate, all present covenants, conditions and restrictions of record which affect the Land. In addition, Tenant will not violate any future covenants, conditions and restrictions of record which affect the Land provided the same are disclosed to Tenant in writing, and do not prohibit or unreasonably inhibit or curtail Tenant's Permitted Use of the Premises under (and subject to) the terms of this Lease.

Landlord's Reservations. In addition to the other rights of Landlord under this Lease, Landlord reserves the right (i) to change the name of the Building, (ii) to install, erect, use, maintain and repair mains, pipes, conduits and other such facilities to serve the Building's tenants in and through the Premises, (iii) to grant to anyone the exclusive right to conduct any particular business or undertaking in the Building, (iv) to establish a condominium regime for the Building, the Land and/or the Common Area and to include the Premises therein, (v) to control the use of the roof and exterior walls of the Building for any purpose, and (vi) to modify the size and configuration of the Common Area, including the construction of temporary or permanent structures or improvements therein. Landlord may exercise any of the foregoing rights as long as the same do not materially or unreasonably interfere with Tenant's Permitted Use and other rights under the terms of this Lease.

ARTICLE 4 TERM

4.1 <u>Generally</u>. The Term shall commence on the Commencement Date and expire at midnight on the Expiration Date. Except as provided in <u>Exhibit B</u>, if Substantial Completion of the Premises has not occurred on the date set forth in Article I as the Commencement Date (other than as a result of Tenant Delays), then neither this Lease nor the Commencement Date shall be affected thereby. Any occupancy of the Premises prior to the Commencement Date shall be subject to all of the terms, covenants and conditions of this Lease, other than those requiring the payment of Base Rent. <u>Exhibit B</u> contains provisions which address the timing of Substantial Completion of the Premises and the relative rights, remedies and obligations of the parties in relation thereto.

4.2 Special Provisions Concerning Tenant.

(A) <u>Non-Discrimination</u>: Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-3 and Section 278-19 of the Montgomery County Code, 1994, as amended, as well as other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the Tenant that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, national origin, race, religious, belief, sexual preference other handicap.

- (B) <u>Contract Solicitation</u>: Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except from bona fide employees or bona fide established commercial, selling or leasing agencies retained by the Landlord for the purpose o securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.
- (C) <u>Public Employment</u>: Landlord understands that unless authorized under Section 11B-52 or Chapter 19-A of the Montgomery County Code 1994, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with her or her public employment.

(D) Non-Appropriation.

- (1) Obligations Subject to Appropriation. Landlord and Tenant acknowledge and agree that, so long as Montgomery County, Maryland (the "County) is the Tenant hereunder, this lease is subject to the annual appropriation of funds. Tenant agrees to annually propose and diligently pursue authorization of sufficient appropriations, and all approvals, authorizations or consents required to fund and perform this Lease for the County's succeeding fiscal year; provided, however, that Landlord acknowledges that this sentence shall not be binding upon the County Council for Montgomery County..
- (2) Effect of Failure to Appropriate. If the County fails to appropriate, on or before May 31st of any calendar year, sufficient funds for full payment of the rent and performance of the County's other obligations under the Lease (excluding payment of the Stipulated Sum) for the County's next fiscal year (i.e., the period commencing on the next July 1st and ending the following June 30th), Tenant will promptly notify Landlord of such fact, and this Lease will automatically terminate at 11:59 p.m. on June 30th of the then current fiscal year. Tenant shall give Landlord a minimum of thirty (30) days notice of the lack of appropriation. If this Lease is terminated pursuant to this Section 4.2(D), Tenant shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.
- (3) No Waiver of Rights. Notwithstanding anything herein contained to the contrary, Tenant expressly acknowledges and agrees that no failure by the Tenant to secure any such appropriations, approvals, authorizations or consents, or to take all necessary actions, in order to fully discharge all of the Tenant's duties and obligations as set forth in this lease shall be deemed to deprive Landlord of any of its rights pursuant to this Lease or at law or in equity (including, but not limited to, the right to enforce Tenant's liability for any rent deficiency to which Landlord is entitled under the terms hereof or the right to seek satisfaction of any judgment granted to Landlord against Tenant).
- (E) <u>Acknowledgment Regarding Statutory Limitations</u>. Landlord acknowledges that Tenant is a political subdivision of the State of Maryland and, as such, is subject to the terms of the Maryland Local Government Tort Claim Act, Section 5-301 *et seq* of the Courts and Judicial

Proceedings Article of the Maryland Annotated Code, as the same may be amended from time to time (as amended, the "Local Tort Act"). Landlord acknowledges that for so long as Tenant is subject to the terms of the Tort Act by virtue of being a political subdivision of the of the State of Maryland, certain indemnities provided for in this Lease will be limited by the provisions of such Local Tort Act. Without limitation, any programs of the State of Maryland (the "State") which are being administered by the County within the Premises shall be subject to the limited immunity granted to State employees and programs under the Local Tort Act and under the Maryland Tort Claims Act, Section 12-101 et seg of the State Government Article of the Maryland Annotated Code, as the same may be amended from time to time (as amended, the "State Tort Act"). For purposes of this Lease, the Local Tort Act and the State Tort Act are referred to collectively as the "Tort Acts". In the event of any assignment of this Lease (or sublease of all or part of the Premises) to a person or entity to whom the Tort Acts do not by its terms apply, nothing set forth in this Lease shall be deemed to limit the liability of such assignees or sublessees under such indemnifications (or under any other provisions of this Lease) to that set forth in the Tort Acts; and in all events, each indemnification provision of this Lease shall be enforceable in accordance with its terms to the fullest extent permissible under the applicable Tort Acts. The parties acknowledge and agree that the indemnifications set forth in this Lease are not intended to create rights in third parties or to increase the County's (or State's) liability above the caps provided in the Tort Acts, as applicable.

ARTICLE 5 RENT

- 5.1 <u>Base Rent</u>. Tenant shall pay to Landlord the Base Rent as specified in Section 1.6.
- 5.2 Payment of Base Rent. Base Rent for each Lease Year shall be payable in equal monthly installments, in advance, without demand, notice, deduction, offset or counterclaim, on or before the first day of each and every calendar month during the Term; provided, however, that the installment of the Base Rent payable for the first full calendar month of the Term shall be due and payable on the full execution and delivery of this Lease. Tenant shall pay the Base Rent and all Additional Rent, by good check, made payable to Landlord or in lawful currency of the United States of America, to Landlord at 455 Spring Park Place, Suite 100, Herndon, Virginia 22070 or to such other address or in such other manner as Landlord from time to time specifies by written notice to Tenant. Any payment made by Tenant to Landlord on account of Base Rent may be credited by Landlord to the payment of any late charges then due and payable and to any Base Rent or Additional Rent then past due before being credited to Base Rent currently due.
- 5.3 Additional Rent. All sums payable by Tenant under this Lease, other than Base Rent, shall be deemed "Additional Rent", and, except as otherwise set forth herein, shall be payable by good check, made payable to Landlord or in lawful currency of the United States of America, to Landlord at 455 Spring Park Place, Suite 100, Herndon, Virginia 22070 or to such other address or in such other manner as Landlord from time to time specifies by written notice to Tenant.
- 5.4 <u>Acceptance of Rent</u>. If Landlord shall direct Tenant to pay Base Rent or Additional Rent to a "lockbox" or other depository whereby checks in payment of Base Rent or Additional Rent

(or both, as the case may be) are initially cashed or deposited by a person or entity other than Landlord (albeit on Landlord's authority), Tenant agrees to make such payments in a timely fashion in accordance with such direction from Landlord.

ARTICLE 6 SECURITY DEPOSIT

[INTENTIONALLY DELETED]

ARTICLE 7 COMMON AREA EXPENSES

- 7.1 <u>Tenant's Proportionate Share</u>. Tenant shall pay to Landlord throughout the Term, as Additional Rent, Tenant's Proportionate Share of the amount by which the Common Area Expenses during each Calendar Year exceed the Common Area Expenses during the Base Year (such amount being sometimes referred to herein as "Expense Increases"). In the event that the Commencement Date or the Expiration Date are other than the first day of a Calendar Year then Tenant's Proportionate Shares of Expense Increases shall be adjusted to reflect the actual period of occupancy during the Calendar Year.
- Expenses" shall mean all expenses and costs of every kind and nature which Landlord incurs because of or in connection with the ownership, maintenance, management and operation of the Building (which expressly includes the Land, the Building and the Common Area). To the extent the Building is part of, or continues to maintained in conjunction with, The Campus at Metro Park North, Landlord shall have the right (but not the obligation) to provide certain services contemplated herein to the Building in conjunction with one or more buildings in The Campus at Metro Park North, in which event an appropriate portion of the expenses associated therewith shall be allocated by Landlord to the Building as Common Area Expenses hereunder. By way of example, and not of limitation, snow removal costs for The Campus at Metro Park North shall be allocated on an appropriate basis between all tenantable buildings in The Campus at Metro Park North which receive the benefit of such snow removal services under a single snow removal contract. Common Area Expenses shall include, without limitation, all reasonable costs, expenses and disbursements incurred or made in connection with the following:
- (i) Wages and salaries of all employees, whether employed by Landlord or the Building's management company, engaged in the operation and maintenance or security of the Building and all costs related to or associated with such employees or the carrying out of their duties, including uniforms and their cleaning, taxes, auto allowances and insurance and benefits (including, without limitation, contributions to pension and/or profit sharing plans and vacation or other paid absences);
 - (ii) All cleaning/janitorial services supplied to the exterior portions of the Project.

- (iii) All utilities supplied to the exterior Common Areas of the Project, including, without limitation, electricity, water, sewer, and lighting for such exterior Common Areas. Common Area Expenses shall exclude any utility expenses payable by Tenant pursuant to Article 18, below.
- (iv) All insurance purchased by Landlord or the Building's management company relating to the Building and any equipment or other property contained therein or located thereon including, without limitation, casualty, liability, rental loss, sprinkler and water damage insurance;
- (v) All repairs to the Project (excluding (A) repairs to the Premises, the cost of which are to be paid in accordance with Section 12.3 of this Lease, and (B) repairs paid for by the proceeds of insurance or by Tenant or by other third parties other than as a part of the Common Area Expenses), and regardless of whether foreseen or unforeseen;
- (vi) All maintenance of the Building, including, without limitation, painting, ice and snow removal, landscaping, groundskeeping and the patching, painting and resurfacing of roads, driveways and parking lots;
- (vii) All maintenance, operation and service agreements for the Project, and any equipment related thereto, but excluding (A) without limitation, HVAC maintenance agreements, janitorial service agreements, or other service and/or maintenance agreements for the repair and maintenance of the Premises, if any, which are to be passed through to the extent permitted by, and subject to the provisions of, Section 12.3, below, and (B) those paid for by Tenant or any other third parties other than as a part of Common Area Expenses;
- (viii) A market rate management fee payable to the company or companies managing the Building;
- (ix) Accounting and legal fees incurred directly in connection with the operation and maintenance of the Building or related thereto (but excluding legal fees and costs associated with the negotiation of leases or functions unrelated to the operation of the Common Areas of the Project;
- (x) Any additional services not provided to the Building at the Commencement Date but thereafter provided by Landlord as Landlord shall deem necessary or desirable in connection with the management or operation of the Building, the Land and the Common Area, consistent with market standards for other comparable buildings and properties in the Rockville submarket;
- (xi) All assessments, whether general, special or otherwise, levied against Landlord or the Building pursuant to any declaration or other recorded instrument affecting the Building or any part or component thereof, including without limitation that certain Operating Agreement affecting Metro Park North (an adjacent office development not owned by Landlord or any of its affiliates), The Campus at Metro Park North and other properties identified therein, as the same may be amended from time to time in accordance with the terms thereof;

- any capital expenditures (1) incurred to reduce Common Area Expenses or utility costs, (2) incurred to comply with any governmental law, order, regulation or other requirement (e.g., a code-mandated life safety system) enacted after the Commencement Date, or (3) incurred to replace existing equipment and machinery necessary to the day to day operation of the Building, or which constitute capital replacements of common facilities serving the Building or Common Areas. but only where such replacements are made in lieu of repairs otherwise required to be made thereto. but excluding replacement of the Building roof, provided (i) Landlord will use all reasonable and good faith efforts to account annually on an estimated basis for such expenditures in its budget of anticipated Common Area Expenses for the coming Calendar Year (subject to unanticipated repair requirements), and (ii) that any capital replacement which does not result in a quantifiable reduction of Common Area Expenses or utility costs shall be amortized on a monthly payment basis over the useful life of the item in question as determined under generally accepted accounting principles, together with interest at the Interest Rate (or such other interest rate as may have been paid by Landlord on funds borrowed for the purposes of incurring such capital expenditures), and only the total monthly payments of principal and interest coming due in each applicable calendar year during the Term, as determined under such amortization schedule, shall be recoverable by Landlord under this Section in any such calendar year; and
- (xiii) All other expenses and costs reasonably necessary for operating and maintaining the Building.
- 7.3 <u>Exclusions from Common Area Expenses</u>. Common Area Expenses shall not include the following:
- (i) Legal fees, space planners' fees, real estate brokers' leasing commissions and advertising expenses incurred in connection with the original or future leasing of space in the Building;
- (ii) Costs and expenses of alterations or improvements of the Premises or the leasehold premises of other individual tenants;
- (iii) Costs of correcting defects in, or inadequacy of, the design or construction of the Building or the materials used in the construction of the Building or the equipment or appurtenances thereto to the extent covered by warranties and recovered by Landlord;
- (iv) Depreciation, interest and principal payments on mortgages and other debt costs, if any, other than amortization of and the interest factor attributable to permitted capital improvements;
- (v) Costs and expenses associated with the operation of the business of the person or entity which Landlord as the same are distinguished from the costs of operation of the Building, including accounting and legal, costs of defending any lawsuits with any mortgagee (except to the extent the actions of Tenant or any other tenant may be in issue), costs of selling or financing any

of Landlord's interest in the Building and outside fees paid in connection with disputes with other tenants:

- (vi) Costs and expenses directly resulting from the gross negligence or willful misconduct of Landlord or its Agents to the extent provable by Tenant; and
- (vii) Legal fees incurred other than directly in relation to the operation of the Common Areas of the Project.
- Calendar Year, a statement of Landlord's estimate of the Expense Increases payable by Tenant during such Calendar Year. In addition to the Base Rent, Tenant shall pay to Landlord on or before the first day of each month during such Calendar Year an amount equal to one-twelfth (1/12) the estimated Expense Increases payable by Tenant for such Calendar Year as set forth in Landlord's statement. If Landlord fails to give Tenant notice of its estimated payments due under this Section for any Calendar Year, then Tenant shall continue making monthly estimated payments in accordance with the estimate for the previous Calendar Year until a new estimate is provided. If Landlord determines that, because of unexpected increases in Common Area Expenses or other reasons, Landlord's estimate of the Expense Increases was too low, then Landlord shall have the right to give a new statement of the estimated Expense Increases due from Tenant for such Calendar Year or the balance thereof and to bill Tenant for any deficiency which may have accrued during such Calendar Year, and Tenant shall thereafter pay monthly estimated payments based on such new statement.
- 7.5 Actual Common Area Expenses. Within one hundred twenty (120) days after the end of each Calendar Year, Landlord shall submit a statement to Tenant showing the actual Common Area Expenses for such Calendar Year and Tenant's Proportionate Share of the amount of Expense Increases. If for any Calendar Year, Tenant's estimated monthly payments exceed Tenant's Proportionate Share of the actual Expense Increases, then Landlord shall give Tenant a credit in the amount of the overpayment toward Tenant's next monthly payment of Expense Increases. If for any Calendar Year Tenant's estimated monthly payments are less than Tenant's Proportionate Share of the actual Expense Increases, then Tenant shall pay the total amount of such deficiency to Landlord within thirty (30) days after receipt of the statement from Landlord. Landlord's and Tenant's obligations with respect to any overpayment or underpayment of Expense Increases shall survive the expiration or termination of this Lease.
- 7.6 <u>Tenant's Right to Audit</u>. In the event Tenant shall dispute the amount set forth in Landlord's statement of actual Common Area Expenses, Tenant shall have the right, not later than sixty (60) days following receipt of such statement, to cause Landlord's books and records with respect to the preceding Calendar Year to be audited by an independent Certified Public Accountant mutually acceptable to Landlord and Tenant. Such audit shall occur upon not less than five (5) days prior written notice to Landlord, at Landlord's place of business or the actual location of Landlord's books and records if different from Landlord's place of business, during Landlord's normal business

hours. The amounts payable under this Section by Landlord to Tenant or by Tenant to Landlord, as the case may be, shall be appropriately adjusted on the basis of such audit. If such audit discloses a liability for further refund by Landlord to Tenant in excess of five percent (5%) of the payments previously made by Tenant for such Calendar Year, the cost of such audit shall be borne by Landlord and shall not be considered as a Common Area Expense for purposes of this Lease; otherwise, the cost of such audit shall be borne by Tenant. Notwithstanding the foregoing, in no event shall Landlord's cost for such audit exceed Two thousand, five hundred dollars (\$2,500.00). If Tenant shall not request an audit in accordance with the provisions of this Section within sixty (60) days of receipt of Landlord's statement of actual Common Area Expenses, such statement shall be conclusively binding upon Landlord and Tenant.

ARTICLE 8 TAXES

Tenant shall pay to Landlord throughout the Term, as Additional Rent, Tenant's Proportionate Share of the amount by which the Real Estate Taxes during each Calendar Year exceed the Real Estate Taxes during the Base Year. In the event that the Commencement Date or the Expiration Date are other than the first (1st) day of a Calendar Year, the Tenant's Proportionate Share of the Real Estate Taxes shall be adjusted to reflect the actual period of occupancy during the Calendar Year. "Real Estate Taxes" shall mean all taxes and assessments, including but not limited to, general or special, ordinary or extraordinary, foreseen or unforeseen, assessed, levied or imposed by any governmental authority upon the Building and the Land and upon the fixtures, machinery, equipment or systems in, upon or used in connection with any of the foregoing, and the rental, revenue or receipts derived therefrom, under the current or any future taxation or assessment system or modification of, supplement to, or substitute for such system. Real Estate Taxes also shall include special assessments which are in the nature of or in substitution for real estate taxes, including, without limitation, road improvement assessments, special tax district assessments, special use area assessments and school district assessments. If at any time the method of taxation prevailing at the Date of Lease shall be altered so that in lieu of, as a substitute for or in addition to the whole or any part of the taxes now levied or assessed, there shall be levied or assessed a tax of whatever nature, then the same shall be included as Real Estate Taxes hereunder. Further, for the purposes of this Article, Real Estate Taxes shall include the reasonable expenses (including, without limitation, attorneys' fees) incurred by Landlord in challenging or obtaining or attempting to obtain a reduction of such Real Estate Taxes, regardless of the outcome of such challenge. Landlord agrees to exercise its right to challenge Real Estate Taxes in good faith and on a commercially reasonable basis. Notwithstanding the foregoing, Landlord shall have no obligation to challenge Real Estate Taxes. If, as a result of any such challenge, a tax refund is made to Landlord, then the expenses of the challenge shall be paid out of any amounts refunded as a result of such challenge, and any refund remaining after payment of such expenses shall be deducted from Real Estate Taxes due in the Lease Year such refund is received. Landlord shall charge Tenant for (and Tenant shall pay) its Proportionate Share of increases in Real Estate Taxes in substantially the same manner provided under Sections 7.4 and 7.5 for payment of Common Area Expenses.

ARTICLE 9 PARKING

- 9.1 <u>Parking Spaces</u>. During the Term, Tenant shall have the right to use the Parking Space Allocation for its employees, agents, business guests, clients, customers and invitees. Tenant's Parking Space Allocation shall consist of unreserved and non-exclusive parking spaces available in the Parking Facilities. Tenant shall not overburden the Parking Facilities, and any usage in excess of the Parking Space Allocation may, at Landlord's election, be deemed to overburden the Parking Facilities.
- 9.2 <u>Changes to Parking Facilities</u>. Landlord shall have the right, from time to time, without Tenant's consent, to change, alter, add to, temporarily close or otherwise affect the Parking Facilities in such manner as Landlord, in its sole discretion, deems appropriate including, without limitation, the right to designate reserved spaces available only for use by one or more tenants (however, in such event, those parking spaces shall still be deemed Common Area for the purpose of the definition of Common Area Expenses), provided that, (i) except in emergency situations or situations beyond Landlord's control, Landlord shall provide alternative Parking Facilities reasonably convenient to the Project, and (ii) Landlord shall use all commercially reasonable efforts to minimize any disruption to Tenant's operations during any period in which Landlord is exercising its rights under this Section 9.2.

ARTICLE 10 USE

- 10.1 <u>Generally</u>. Tenant shall occupy the Premises solely for the Permitted Use. The Premises shall not be used for any other purpose without the prior written consent of Landlord. Tenant shall comply, at Tenant's expense, with (i) all present and future laws, ordinances, regulations and orders of the United States of America, the State of Maryland, and any other public or quasi-public federal, state or local authority having jurisdiction over the Premises, and (ii) any reasonable requests of Mortgagee or any insurance company providing coverage with respect to the Premises. Tenant shall not use or occupy the Premises in any manner that is unlawful or dangerous or that shall constitute waste, unreasonable annoyance or a nuisance to Landlord or the other tenants of the Building.
- Premises involves special security concerns given the nature of the Permitted Use as a facility involving, *inter alia*, the administration of the juvenile justice system, the processing of juvenile offenders, the administration of drug-testing to criminal offenders, and other services associated with the criminal justice system and family services. Accordingly, Tenant agrees (i) that it shall provide adequate security through the assignment of adequate police or trained security personnel at all times in which the Premises are in use, in a manner sufficient to render the Permitted use of the Premises safe and generally consistent with the operation of a first class multi-building office project, (ii) that it shall be responsible for ensuring that persons visiting the Premises do not loiter or otherwise remain in the parking lot or other exterior common areas of the Project (including the courtyard

between Buildings 1 and 2, which the parties agree is reserved exclusively for the benefit of employees of tenant of the Project), or within any of the other buildings and/or premises within the Project, prior to commencing the business or activity for which they are visiting the Premises, and after such business or activity has been completed, and (iii) to assume responsibility for any failure to provide adequate security in connection with its Permitted Use of the Premises, including the indemnifying and holding Landlord harmless from all liabilities, losses, costs, damages and expenses (including reasonable attorney's fees) arising from any injury or death to persons, or damage to property, caused by Tenant or Tenant's Agents, as a result of any failure of Tenant to comply with its covenants set forth in this Section 10.2. Tenant further agrees that any violation of the covenants set forth in this Section 10.2 shall constitute a default by Tenant under this Lease.

ARTICLE 11 ASSIGNMENT AND SUBLETTING

- Consent. Tenant shall not assign, transfer, mortgage or otherwise encumber this Lease or sublet or rent (or permit a third party to occupy or use) the Premises, or any part thereof, nor shall any assignment or transfer of this Lease or the right of occupancy hereunder be effected by operation of law or otherwise, without the prior written consent of Landlord which shall not be unreasonably conditioned, withheld or delayed (using any and all such criteria as may under the circumstances be applicable). Without limiting the criteria that may be applied by Landlord in reviewing a proposed assignment or sublease, it shall not be unreasonable for Landlord to deny its consent to any proposed assignment or sublease if, at the time receives Tenant's Proposal Notice (defined below), an Event of Default is then continuing under this Lease. Tenant must request Landlord's consent to any assignment or sublease in writing at least thirty (30) days prior to the commencement date of the proposed sublease or assignment, which written request (a "Proposal Notice") must include (a) the name and address of the proposed assignee or subtenant, (b) the nature and character of the business of the proposed assignee or subtenant, (c) financial information (including financial statements) of the proposed assignee or subtenant, and (d) a copy of the proposed sublease or assignment agreement. Tenant shall also provide any additional information Landlord reasonably requests regarding such proposed assignment or subletting. If Landlord consents to the proposed assignment or subletting, the initial Tenant and any Guarantor shall remain liable under this Lease and the initial Tenant shall pay to Landlord any amount of rent or other directly or indirectly received by Tenant from any subtenant or assignee which exceeds the Rent. Any assignment, encumbrance, or sublease without Landlord's written consent shall be voidable by Landlord and, at Landlord's election, constitute an Event of Default hereunder. Tenant hereby assigns to Landlord the rent and other sums due from any subtenant, assignee or other occupant of the Premises and hereby authorizes and directs each such subtenant, assignee or other occupant to pay such rent or other sums directly to Landlord; provided, however, that until the occurrence of an Event of Default, Tenant shall have the license to continue collecting such rent and other sums.
- 11.2 <u>Surrender</u>. Notwithstanding the foregoing, in the event of a proposed assignment or subletting, Landlord shall have the right, by notice to Tenant delivered within sixty (60) days after Landlord's receipt of any Proposal Notice from Tenant, to terminate this Lease in the event of an assignment as to all of the Premises and, in the event of a sublease, as to the subleased portion of the

Premises, and, upon such termination, to require that all or part, as the case may be, of the Premises be surrendered to Landlord for the balance of the Term.

11.3 Special Provisions.

Notwithstanding the other provisions of this Article 11 to the contrary:

- (a) It shall not be considered an assignment of this Lease or a sublease of the Premises if Tenant introduces a different agency of the County government as an occupant of the Premises, or otherwise modifies its use of the Premises, *provided* that any such modification of Tenant's Permitted Use shall nevertheless be subject to Landlord's consent in accordance with other provisions of this Lease relating thereto.
- (b) In the event of any assignment or sublease to a party other than Montgomery County, Maryland or an agency or instrumentality thereof, or another entity which is not a political subdivision of the State of Maryland, Section 4.2 and Section 10.3 of this Lease shall not apply for the benefit of the assignee or sublessee (and the rights and limitations recognized thereunder for the benefit of the County shall thereupon be null and void, as to the entire lease, if an assignment, or as to the applicable portion of this Lease, if a sublease).
- (c) For purposes of Sections 11.1 and 11.2 above, if at any time the Tenant under this lease is not a political subdivision of the State of Maryland, a transfer at any one time or from time to time of twenty percent (20%) or more of an interest in Tenant (whether stock, partnership interest or other form of ownership or control) by any person(s) or entity(ties) having an interest in ownership or control of Tenant at the Date of Lease shall be deemed to be an assignment of this Lease.
- (d) Neither the consent by Landlord to any assignment, transfer, encumbrance or subletting, nor the collection or acceptance by Landlord of rent from any assignee, subtenant or occupant, shall be construed as a waiver or release of the initial Tenant from the terms and conditions of this Lease nor relieve Tenant or any subtenant, assignee or other party from obtaining the consent in writing of Landlord to any further assignment, transfer, encumbrance or subletting.

ARTICLE 12 MAINTENANCE AND REPAIR

12.1 <u>Landlord's Obligations</u>. Subject to Tenant's obligations under this Article 12, Landlord shall perform all maintenance, repairs and replacements (including obtaining janitorial, HVAC and any other necessary service and maintenance contracts) to the Building, including the roof, foundation, structural and non-structural elements, windows, interior mechanical, electrical and plumbing systems, HVAC System, bulb replacements, and other repairs of whatever kind and nature, necessary to maintain the Building in good condition and repair, reasonable wear and tear excepted (collectively, "Repairs"), *provided* Tenant shall repair and pay for any damage caused by the negligent or willful acts or omissions of Tenant or Tenant's employees, agents or invitees, or caused

by Tenant's breach of its own maintenance obligations or other covenants under this Lease, except to the extent the cost of such repair or restoration required by Tenant's negligent or willful acts or omissions is covered under policies of casualty insurance covering the Premises that Landlord is required to maintain under this Lease or is in fact maintaining. Tenant shall immediately give Landlord written notice of any defect or need for repairs for which Landlord is responsible under this Lease. Landlord shall not be considered to be in default of its obligations with respect thereto unless Landlord fails to commence such repairs within a reasonable time period after the receipt of notice of the need for such repairs, or thereafter fails to pursue such repair in a commercially reasonable and diligent fashion. All expenses incurred by Landlord in performing its obligations under this Section 12.1 shall constitute "Repair Expenses" and shall be recoverable by Landlord to the extent set forth in Section 12.3. The parties further agree that the expense of Janitorial Service supplied to the interior of the Premises shall constitute Repair Expenses within the meaning of this Article 12.

- 12.2 <u>Tenant's Obligations</u>. Subject to Article 21 of this Lease, Tenant shall, at its own expense, maintain all of its personal property, fixtures and equipment. Subject to the provision of Janitorial Services by Landlord, Tenant shall, at its own expense, keep the Premises in a clean and sanitary condition, maintain suitable receptacles within the Premises for trash and refuse, and comply with all legal requirements applicable to the separation of trash and refuse (including separate receptacles) for the recycling of glass, newspaper, and other forms of trash. Without the prior written consent of the Landlord, Tenant shall not have access to the roof of the Building for any purpose whatsoever.
- Reimbursement of Repair Expenses. Commencing on the first day of the second Lease Year, and during each Lease Year of the Term occurring thereafter, Tenant shall pay to Landlord, as Additional Rent, the amount by which the Repair Expenses incurred by Landlord during each such Lease Year exceed the Repair Expenses incurred by Landlord during the first full Lease Year (such amount being sometimes referred to herein as "Increases in Repair Expenses"). Payments of Increases in Repair Expenses shall be made by Tenant as follows: Landlord shall provide Tenant with a good faith estimate before the beginning of each Lease Year of anticipated Increases in Repair Expenses for which Tenant will be responsible for the ensuing Lease Year. Tenant shall pay, as Additional Rent, one-twelfth (1/12) of the amount so estimated together with each payment of Monthly Rent for the subsequent Lease Year. Landlord will provide Tenant with a statement of total actual Repair Expenses incurred, and a calculation of the Increases in Repair Expenses actually owed by Tenant to Landlord, for each Lease Year, at the same time Landlord provides to Tenant Landlord's statement of Common Area Expenses under Section 7.5, above. If for any Lease Year, Tenant's estimated monthly payments of Increases in Repair Expenses exceeds the actual Increases in Repair Expenses for such Lease Year, then Landlord shall give Tenant a credit in the amount of the overpayment toward Tenant's next monthly payment of Monthly Rent. If for any Lease Year, Tenant's estimated monthly payments of Increases in Repair Expenses are less than the actual Increases in Repair Expenses for such Lease Year, then Tenant shall pay the total amount of such deficiency to Landlord within thirty (30) days after receipt of the statement from Landlord. Landlord's and Tenant's obligations with respect to any overpayment or underpayment of Increases

in Repair Expenses shall survive the expiration or termination of this Lease. Tenant's audit rights under section 7.6, above, shall apply to Repair Expenses incurred hereunder.

12.4 <u>Landlord's Right to Maintain or Repair</u>. If, within five (5) days following notice to Tenant, Tenant fails to commence to repair or replace any damage to the Premises or Building which is Tenant's obligation to perform, and diligently pursue timely completion of such repair and replacement, Landlord may, at its option, cause all required maintenance, repairs or replacements to be made. Tenant shall promptly pay Landlord all costs incurred in connection therewith plus interest thereon at the Interest Rate from the due date until paid.

ARTICLE 13 INITIAL CONSTRUCTION; ALTERATIONS

- 13.1 <u>Initial Construction</u>. Landlord and Tenant agree that the construction of the Tenant Improvements (as defined in Exhibit B attached hereto and made a part hereof) and other initial construction with respect to the Premises shall be performed in accordance with Exhibit B.
- 13.2 Alterations. Tenant shall not make or permit any Alterations without the prior written consent of Landlord, Landlord may impose any reasonable conditions to its consent, including, without limitation, (i) delivery to Landlord of written or unconditional waivers of mechanic's and materialmen's liens as to the Premises, the Building and the Land for all work, labor and services to be performed and materials to be furnished, signed by all contractors, subcontractors, materialmen and laborers participating in the Alterations, (ii) prior approval of the plans and specifications and Tenant's contractor(s) with respect to the Alterations, and (iii) a right of Landlord's representatives to inspect the Alterations during the course of their installation. The Alterations shall conform to the requirements of Landlord's and Tenant's insurers and of the Federal, state and local governments having jurisdiction over the Premises, shall be performed in accordance with the terms and provisions of this Lease in a good and workmanlike manner befitting a first class office building and shall not adversely affect the value, utility or character of the Premises. Notwithstanding the foregoing, if any mechanic's or materialmen's lien is filed against the Premises, the Building or the Land for work claimed to have been done for, or materials claimed to have been furnished to or for the benefit of, Tenant, such lien shall be discharged of record by Tenant within ten (10) days by the payment thereof or the filing of any bond required by law. If Tenant shall fail to discharge any such lien, Landlord may (but shall not be obligated to) discharge the same, the cost of which shall be paid by Tenant within three (3) days of demand by Landlord. Such discharge by Landlord, shall not be deemed to waive or release the default of Tenant in not discharging the same. Neither Landlord's consent to the Alterations nor anything contained in this Lease shall be deemed to be the agreement or consent of Landlord to subject Landlord's interest in the Premises, the Building or the Land to any mechanic's or materialmen's liens which may be filed in respect of the Alterations.
- 13.3 <u>Removal of Alterations</u>. Except to the extent Tenant requests and Landlord designates otherwise at the time Landlord approves such Alterations, all or any part of the Alterations made after the Commencement Date of this Lease (including, without limitation, wall-to-wall carpet and wiring), whether made with or without the consent of Landlord, shall, at the election

of Landlord, either be removed by Tenant at its expense before the expiration of the Term or shall remain upon the Premises and be surrendered therewith at the Expiration Date or earlier termination of this Lease as the property of Landlord without disturbance, molestation or injury. If Landlord requires the removal of all or part of the Alterations, Tenant, at its expense, shall repair any damage to the Premises or the Building caused by such removal. If Tenant fails to remove the Alterations upon Landlord's request, then Landlord may (but shall not be obligated to) remove the same and the cost of such removal and repair of any damage caused by the same, together with any and all damages which Landlord may suffer and sustain by reason of the failure of Tenant to remove the same, shall be charged to Tenant and paid upon demand.

13.4 <u>Landlord Alterations</u>. Landlord shall have no obligation to make any Alterations in or to the Premises, the Building, the Common Area or the Land except as specifically provided in the Work Agreement. Landlord hereby reserves the right, from time to time, to make Alterations to the Building, change the Building dimensions, erect additional stories thereon and attach other buildings and structures thereto, and to erect such scaffolding and other aids to construction as Landlord deems appropriate (provided the same do not unduly impede or constrain Tenant's Permitted Use of the Premises under the circumstances), and, subject to such proviso, no such Alterations, changes, construction or erection shall constitute an eviction, constructive or otherwise, or permit Tenant any abatement of Rent or claim.

ARTICLE 14 SIGNS

- General Sign Provision. Except as expressly permitted hereby, no sign, advertisement or notice shall be inscribed, painted, affixed, placed or otherwise displayed by Tenant on any part of the Land or the outside or the inside (including, without limitation, the windows) of the Building (excluding, however, the interior of the Premises). Any permitted signs shall be installed and maintained by Tenant at Tenant's sole expense. All signage shall be in compliance with all applicable laws and ordinances, and all covenants, conditions and restrictions applicable to The Campus at Metro Park North including the Operating Agreement which encumbers the entire Metro Park North business park of which The Campus at Metro Park North is a part. If any prohibited sign, advertisement or notice is nevertheless exhibited by Tenant, Tenant shall remove same promptly after Landlord's written request; and if Tenant fails to remove same within ten (10) business days after Landlord's request (or shorter time period if non-removal of such sign would constitute a violation of a applicable laws, codes and regulations, or a breach of the Operating Agreement), Landlord shall have the right to remove the same, and Tenant shall pay any and all expenses reasonably incurred by Landlord in such removal, upon demand.
- 14.2 <u>Special Sign Rights</u>. Section 14.1 to the contrary notwithstanding, but in all instances subject to Landlord's prior approval (which will not be unreasonably withheld, conditioned or delayed) as to the size, type, color, design, location and method of attachment thereof, and to compliance with all applicable laws and ordinances, and all covenants, conditions and restrictions applicable to The Campus at Metro Park North Landlord hereby grants Tenant the non-exclusive right to install a pylon sign in a mutually agreeable location adjacent to the Building, and agrees that

Tenant may install, at its expense, identification signage on such pylon sign, identifying Tenant exclusively, in such size, type, color, design, and location (subject to compliance with all applicable laws and ordinances and with any restrictions or required approvals applicable to exterior signage affecting the Project) as is consistent with other pylon signage in the Project. The parties hereby approve the pylon signage depicted in Exhibit E attached hereto and made a part hereof, subject to Landlord's ultimate approval of the text of such signage, as aforesaid.

ARTICLE 15 TENANT'S EQUIPMENT AND PROPERTY

- 15.1 Moving Tenant's Property. If Tenant or contractors retained by Tenant move property of the Tenant in and out of the Premises, any and all damage or injury to the Premises or the Building caused by such moving of the property of Tenant into or out of the Premises, shall be repaired by Tenant at Tenant's sole expense; if Tenant fails to commence such repair within ten (10) business days after Landlord's written request and to diligently prosecute such repair to completion thereafter, Landlord shall have the right to perform such repair, and Tenant shall pay any and all expenses reasonably incurred by Landlord in so doing, upon demand. Tenant shall promptly remove from the Common Area any of Tenant's furniture, equipment or other property there deposited.
- Installing and Operating Tenant's Equipment. Without first obtaining the written consent of Landlord, Tenant shall not install or operate in the Premises (i) any electrically operated equipment or other machinery, other than standard office equipment that does not require wiring, cooling or other service in excess of Building standards, (ii) any equipment of any kind or nature whatsoever which will require any changes, replacements or additions to, or changes in the use of, any water, heating, plumbing, air conditioning or electrical system of the Premises or the Building, or (iii) any equipment which causes the floor load to exceed the load limits set by Landlord for the Building. Landlord's consent to such installation or operation may be conditioned upon the payment by Tenant of additional compensation for any excess consumption of utilities and any additional power, wiring, cooling or other service (as determined in the sole discretion of Landlord) that may result from such equipment. Machines and equipment which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein so as to be objectionable to Landlord or any other Building tenant shall be installed and maintained by Tenant, at its expense, on vibration eliminators or other devices sufficient to eliminate such noise and vibration.

ARTICLE 16 RIGHT OF ENTRY

Tenant shall permit Landlord or its Agents, at reasonable times and upon reasonable prior notice (not less than two (2) days prior notice in a non-Emergency) to enter the Premises, without charge therefor to Landlord and without diminution of Rent, (i) to examine, inspect and protect the Premises and the Building, (ii) to make such alterations and repairs or perform such maintenance which Landlord is authorized to perform under this Lease; (iii) to exhibit the same to prospective purchasers of the Building or to present or future Mortgagees or (iv) to exhibit the same to prospective tenants during the last nine (9) months of the Term and to erect on the Premises a

suitable sign indicating the Premises are available. The foregoing notwithstanding, in cases of *bona fide* emergency involving imminent risk of injury or death to persons or damage to property (an "Emergency"), Landlord may exercise the foregoing right of upon shorter prior notice than that provided above (or without notice if, in Landlord's good faith judgment, circumstances dictate that Landlord take immediate action), provided Landlord will attempt to notify Tenant of any such Emergency entry as soon as is practicable under the circumstances.

ARTICLE 17 INSURANCE

- 17.1 <u>Insurance Rating</u>. Tenant shall not conduct or permit any activity, or place any equipment or material, in or about the Premises, the Building or the Common Area which will increase the rate of fire or other insurance on the Building or insurance benefitting any other tenant of the Building; and to the extent any insurance company or applicable insurance rating bureau states that the increase in the rate of insurance is stated by to be due to any activity, equipment or material of Tenant in or about the Premises, the Building or the Common Area, such statement shall be conclusive evidence that the increase in such rate is due to the same and, as a result thereof, Tenant shall pay such increase to Landlord within thirty (30) days after demand (and which amount, if the County is then the "Tenant" under this Lease, shall be added by the County to its appropriation request for the next fiscal year and paid within thirty (30) days after such appropriation is approved).
- 17.2 <u>Liability Insurance</u>. Tenant shall, at its sole cost and expense, procure and maintain throughout the Term a commercial general liability policy insuring against claims, demands or actions for bodily injury, death, personal injury, and loss or damage to property arising out of or in connection with: (i) the Premises; (ii) the condition of the Premises; (iii) Tenant's operations in, maintenance and use of the Premises, Building and Common Area, and (iv) Tenant's liability assumed under this Lease. Such insurance shall have such combined single limit as reasonably required by Landlord from time to time, but in no event less than Two Million Dollars (\$2,000,000.00) per occurrence, on an occurrence basis, and shall be primary over any insurance carried by Landlord. Endorsements shall be obtained for cross-liability and contractual liability.
- 17.3 <u>Insurance for Personal Property</u>. Tenant shall, at its sole cost and expense, procure and maintain throughout the Term a property insurance policy (written on an "All Risk" basis) insuring all of Tenant's personal property, including but not limited to equipment, furniture, fixtures, furnishings and leasehold improvements which are the responsibility of Tenant, for not less than the full replacement cost of said property. All proceeds of such insurance shall be used to repair or replace Tenant's property. In addition, Tenant shall, at its sole cost and expense, procure and maintain business interruption insurance in an amount not less than the Base Rent due hereunder for the first Lease Year.

17.4 Requirements of Insurance Coverage.

(a) <u>Generally</u>. All such insurance required to be carried by Tenant herein shall be with an insurance company licensed to do business in the State of Maryland and rated not lower

than A-XII in the A.M. Best Rating Guide. Such insurance (i) shall contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss; (ii) shall name Landlord and, at Landlord's request, any Mortgagee or ground lessor, as additional insured parties; and (iii) shall provide that the policy shall not be canceled, failed to be renewed or materially amended without at least thirty (30) days' prior written notice to landlord and, at Landlord's request, any Mortgagee. On or before the Commencement Date and, thereafter, not less than thirty (30) days before the expiration date of the insurance policy, an original of the policy (including any renewal or replacement policy) or a certified copy thereof, together with evidence satisfactory to Landlord of the payment of all premiums for such policy, shall be delivered to Landlord and, at Landlord's request, to any Mortgagee.

- (b) <u>County's Self-Insurance</u>. Notwithstanding any provision of this Article 17 to the contrary, if and for so long as the County is the "Tenant" under this Lease, the County shall have the right to self-insure with respect to the risks otherwise required to be insured by the Tenant hereunder, on the conditions that: (i) the County deliveries to Land not less than thirty (30) days' prior written notice of the County's intent to self-insure, accompanied by the details of the County's self-insurance program; (ii) Landlord reasonably determines that the County's self-insurance program provides Landlord and its lender(s) with the same rights, benefits and protections which it would have had if the County purchased third party property and liability insurance as specified herein (it being agreed that any reference herein to a release of Landlord from liability with respect to loss or damage against which Tenant is insured or required hereby to be insured shall include any risk, loss or event against which the County has elected to self-insure); (iii) Landlord reasonably determines that the County has made adequate financial arrangements to fund such self-insurance program; and (iv) such self-insurance is permitted by applicable law.
- 17.5 Waiver of Subrogation. Each party hereby releases the other party hereto from liability for any loss or damage to any building, structure or tangible personal property, or any resulting loss of income, or losses under worker's compensation laws and benefits, notwithstanding that such loss, damage or liability may arise out of the negligent or intentionally tortious act or omission of the other party or its Agents, if such loss or damage is covered by insurance (or self-insurance) benefitting the party suffering such loss or damage or was required to be covered by insurance (or self-insurance) pursuant to this Lease. Each party hereto shall use reasonable efforts to have a waiver of subrogation clause (providing that such waiver of right of recovery against the other party shall not impair the effectiveness of such policy or the insured's ability to recover) included in its said policies, and shall promptly notify the other in writing if such clause cannot be included in any such policy; if such waiver of subrogation clause shall not be available, then the foregoing waiver of right of recovery shall be void.
- 17.6 <u>Security</u>. In the event that Landlord engages the services of a professional security system for the Building, it is understood that such engagement shall in no way increase Landlord's liability for occurrences and/or consequences which such a system is designed to detect or avert and that Tenant shall look solely to its insurer as set out above for claims for damages or injury to any person or property. In no event shall this Section 17.6, nor any other provision of this Lease, be

construed to create any express or implied obligation on the part of Landlord in favor of Tenant or any third party to secure The Campus at Metro Park North, Premises, Building or Common Areas, or otherwise provide security services for The Campus at Metro Park North, Premises, Building or Common Areas.

Landlord's Insurance. Landlord shall procure and maintain throughout the Term (i) a property insurance policy or policies (written on an "All Risk" basis) insuring the Building (including the Tenant Improvements) and the Common Areas, for not less than the full replacement cost of said property, exclusive of footings and foundations, (ii) commercial general liability insurance applicable to the Project providing, on an occurrence basis, a minimum combined single limit of Five Million Dollars (\$5,000,000.00), with a contractual liability endorsement covering Landlord's indemnity obligations under this Lease, and (iii) rent loss insurance in an amount sufficient to cover Landlord's obligation to provide rent abatement to Tenant under Section 21.1 of this Lease and its obligation to provide similar rent abatement to any other tenants of the Building. All such insurance required to be carried by Landlord herein (i) shall be with an insurance company licensed to do business in the State of Maryland and rated not lower than A-XII in the A.M. Best Rating Guide, (ii) may, with respect to the liability insurance described in clause (ii), consist of a combination of primary insurance coverage and umbrella insurance coverage, and (iii) may be insured under a blanket insurance policy covering multiple properties or locations, provided the minimum amount required to be applicable to the Project or Building (as the case may be) shall not be diminished by virtue of such blanket coverage. Landlord's property insurance shall provide or contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss.

ARTICLE 18 LANDLORD SERVICES AND UTILITIES

18.1 (a) Ordinary Services to the Premises. Landlord agrees to furnish landscaping, grounds maintenance, and snow clearing for the Common Areas. Landlord shall provide for toilet cleaning and supply, common area and in-suite janitorial services, and window washing, but not removal of any Medical Wastes (as defined herein) (collectively "Janitorial Services"), on weekdays (excluding holidays as established by Landlord) at a scheduled time reasonably agreed to by the parties consistent with other similar first class office projects. Landlord shall also arrange for trash removal from common exterior trash dumpsters serving the Building, into which Tenant's interior trash shall be deposited by Tenant (and/or Landlord's janitorial service contractor) pursuant to reasonable rules and regulations governing such trash removal as Landlord may establish an accordance with applicable law (which may, if applicable, include a requirement that Tenant comply at Tenant's expense with federal, state and/or local requirements applicable to trash recycling). Landlord shall also comply, in the performance of its responsibilities relating to trash removal, while applicable County requirements relating to recycling. The foregoing services (other than districted) of Medical Wastes, which shall be paid by Tenant) shall be furnished by Landlord and reimbursed by Tenant as part of Common Area Expenses over the Base Year; provided, however, that Landlord shall be under no responsibility or liability for failure or interruption in such services caused by breakage, accident, strikes, repairs or for any other cause or causes beyond the control of Landlord, nor in any event for any indirect or consequential damages; and failure or omission on the part of Landlord to furnish such service shall not be construed as an eviction of Tenant, nor work an abatement of Rent, nor render Landlord liable in damages, nor release Tenant from prompt fulfillment of any of the covenants under this Lease.

- (b) Connection to Utilities. Landlord shall connect the Building to lines providing electricity, gas, potable water, sewer and other utilities to the Building in accordance with the plans and specifications pursuant to which the shell of the Building was constructed, provided (i) Tenant shall be responsible for contracting directly with the utility provider for service and for paying any costs associated therewith, (ii) Landlord's responsibility shall be limited to ensuring that such lines are initially available to the Building, and all utility meters, interior utility distribution lines and systems, fixture fees, systems development charges, mechanical electrical, plumbing and HVAC systems, and other related facilities shall be Tenant's responsibility, and (iii) Landlord shall have no liability to Tenant or Tenant's Agents in the event of any interruption in or cessation of such services to the Premises. The parties acknowledge that Tenant will be able to control, through in suite thermostats or similar devices, the operation of the HVAC system serving the Premises, and, as such, will be able to operate such HVAC system at any time that Tenant deems appropriate. In connection therewith, Tenant specifically affirms that Tenant shall be responsible for all utility expenses associated with operation of such HVAC system during the Lease Term.
- 18.2 <u>Utility Charges</u>. All telephone, electricity, gas, heat, water and sewer and other utility service(s) furnished to the Premises shall be paid for by Tenant. Utility service to the Building shall be separately metered where possible, and, if the same cannot be separately metered, shall otherwise be allocated by Landlord among the buildings which constitute the Project as provided below. Any separately metered utilities supplied to the Building (such as electricity, gas and potable water), shall be contracted for directly by Tenant with the applicable utility provider, paid for by Tenant, and excluded from Common Area Expenses. Any utilities provided to the Building which are not separately metered (such as sewer service to the Building) shall be paid for by Tenant by reimbursing Landlord for Tenant's Proportionate Share of the Building's *pro rata* share of total utility expense for the Project (based on the relative rentable area of the Building in relation to all buildings in the Project), and shall be paid within thirty (30) days after Landlord's written invoice reflecting the amount billed by the applicable utility provider and the Building's *pro rata* share thereof.

ARTICLE 19 LIABILITY OF LANDLORD

19.1 <u>Personal Property at Tenant's Risk</u>. All personal property of Tenant, its employees, agents, business invitees, licensees, customers, clients, family members, guests or trespassers, in and on the Premises, shall be and remain at their sole risk, and Landlord shall not be liable to them for any damage to, or loss of such personal property arising from any act or omission of any person or entity whatsoever.

- 19.2 <u>Liability for Injury</u>. Unless there is negligence or a willful act or failure to act on the part of Landlord, its agents or employees in violation of the terms of this Lease, Landlord shall not be liable for any personal or bodily injury to Tenant, its employees, agents, business invitees, licenses, customers, clients, family members, guests or trespassers arising from the use, occupancy and condition of the Premises.
- 19.3 <u>Landlord Not Liable</u>. Without limiting the foregoing, Landlord shall not be liable for injury or damage which may be sustained by the person or property of Tenant, its employees, invitees or customers, or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, and the like whether such damage or injury results from conditions arising upon the Premises or upon other portions of the Building or Project or from other sources. Landlord shall not be liable for any damages arising from any act or omission of any other tenant of the Building or Project. In no event shall Landlord be liable for any indirect, consequential or punitive damages for any breach of this Lease by Landlord.
- 19.4 Non-Recourse Obligation. It is expressly understood and agreed if Tenant obtains a money judgment against Landlord resulting from any default or other claim arising under this Lease, that judgment shall be satisfied only out of the rents, issues, profits and other income actually received on account of Landlord's right, title and interest in the Premises, and no other real, personal or mixed property of Landlord (or of any of the shareholders of Landlord) wherever situated, shall be subject to levy to satisfy such judgment. Tenant shall not have the right to terminate this Lease or to withhold, reduce or offset any amount against any payments of Rent or any other charges due and payable under this Lease, except as otherwise specifically provided herein.
- Tenant Indemnification. Subject to Section 4.2(E) and to the extent permitted by applicable law, Tenant shall indemnify and hold Landlord harmless against and from liability and claims of any kind for loss or damage to property of Tenant or any other person, or for any injury to or death of any person, arising out of: (1) Tenant's use and occupancy of the Premises, or any work, activity or other things allowed or suffered by Tenant to be done, on or about the Premises; (2) any breach or default by Tenant of any of Tenant's obligations under this Lease; or (3) any act or omission of Tenant or any of Tenant's Agents. Tenant shall, at Tenant's expense, and by counsel of Tenant's choosing satisfactory to Landlord, defend Landlord in any action or proceeding arising from any such claim and shall indemnify Landlord against all costs, attorneys' fees, expert witness fees and any other expenses incurred in such action or proceeding. Tenant reserves the right to provide a defense of any claims within the scope of this Section pursuant to Tenant's self-insurance fund. As a material part of the consideration for Landlord's execution of this Lease, and to the extent permitted by applicable law. Tenant hereby assumes all risk of damage or injury to any person or property on the Premises from any cause in connection with Tenant's use and occupancy of the Premises. This provisions of this Article 19 shall survive the expiration or sooner termination of this Lease.

19.6 <u>Saving Clause</u>. In the event (but solely to the extent) the limitations on Landlord's liability set forth in this Article 19 would be held to be unenforceable or void in the absence of a modification holding the Landlord liable to Tenant or to another person for injury, loss, damage or liability arising from Landlord's omission, fault, negligence or other misconduct on or about the Premises, or other areas of the Building appurtenant thereto or used in connection therewith and not under Tenant's exclusive control, then such provision shall be deemed modified as and to the extent (but solely to the extent) necessary to render such provision enforceable under applicable law. The foregoing shall not affect the application of Section 19.4 of this Lease to limit the assets available for execution of any claim against Landlord.

ARTICLE 20 RULES AND REGULATIONS

Tenant and its Agents shall at all times abide by and observe the Rules and Regulations and the Rules and Regulations shall be deemed to be covenants of the Lease to be performed and/or observed by Tenant. If Landlord wishes to modify any of the Rules and Regulations, Landlord may do so, provided (i) all such amendments are reasonable and consistent with rules and regulations applicable to other first class office projects in the Rockville submarket, (ii) Landlord may not amend the Rules and Regulations in any manner which would violate applicable Federal, State or County laws or regulations, and (iii) Tenant shall not be required to observe any amended rules until the thirtieth (30th) day after Landlord notifies Tenant thereof in writing. Landlord agrees that any amended rule which materially modifies any of Tenant's economic obligations under this Lease or unreasonably restricts Tenant's Permitted Use of the Premises will be deemed unreasonable. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations, or the terms or provisions contained in any other lease, against any other tenant of the Building; provided, however, that Landlord shall not enforce the Rules and Regulations against Tenant in a discriminatory manner, that is, shall not enforce any rule or regulation against Tenant which Landlord does not enforce against other tenants of the Project who are engaged in substantially identical conduct, except where the circumstances clearly reflect a substantial and material basis why enforcement of such rule or regulation against Tenant is not unfair or discriminatory given the non-enforcement of such rule or regulation against such other tenants. Landlord shall not be liable to Tenant for any violation by any party of the Rules and Regulations or the terms of any other Building lease, provided Landlord will use commercially reasonable efforts to stop any such violation which interferes with Tenant's quiet enjoyment of the Premises. If there is any inconsistency between this Lease and the Rules and Regulations, this Lease shall govern. Landlord reserves the right to reasonably amend and modify the Rules and Regulations as it deems necessary consistent with the foregoing standards.

ARTICLE 21 DAMAGE; CONDEMNATION

21.1 <u>Damage to the Premises</u>. If the Premises shall be damaged by fire or other cause without the fault or negligence of Tenant or its Agents, Landlord shall diligently and as soon as practicable after such damage occurs (taking into account the time necessary to effect a satisfactory

settlement with any insurance company involved) repair such damage at the expense of Landlord: provided, however, that Landlord's obligation to repair such damage shall not exceed the proceeds of insurance available to Landlord (reduced by any proceeds retained pursuant to the rights of Mortgagee). Notwithstanding the foregoing, if the Premises or the Building is damaged by fire or other cause to such an extent that, in Landlord's good faith judgment, the damage cannot be substantially repaired within one hundred eighty (180) days after the date of such damage, or if the Premises are damaged during the last two (2) Lease Years, then Landlord or Tenant within thirty (30) days from the date of such damage may terminate this Lease by notice to the other. If either Landlord or Tenant terminates this Lease, the Rent shall be apportioned and paid to the date the Premises was rendered untenantable. If neither Landlord nor Tenant so elects to terminate this Lease but the damage required to be repaired by Landlord is not repaired within one hundred eighty (180) days from the date of such damage (such one hundred eighty (180) day period to be extended by the period of any delay outside the direct control of Landlord plus a reasonable period for a satisfactory settlement with any insurance company involved), Tenant, within thirty (30) days from the expiration of such one hundred eighty (180) day period (as the same may be extended), may terminate this Lease by notice to Landlord. During the period that Tenant is deprived of the use of the damaged portion of the Premises, Base Rent and Tenant's Proportionate Share shall be reduced by the ratio that the rentable square footage of the Premises damaged bears to the total rentable square footage of the Premises before such damage. If Tenant shall fail to do so or if Landlord shall so elect, Landlord shall have the right to make such repairs, and any expense so incurred by Landlord, together with interest thereon at the Interest Rate, shall be paid by Tenant upon demand. Notwithstanding anything herein to the contrary, Landlord shall not be required to rebuild, replace or repair any non-standard tenant improvements, tenant extras or Alterations or any personal property of Tenant.

Condemnation. If the whole or a Substantial Part of the Premises or the Building 21.2 shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasigovernmental authority, and Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than a Substantial Part of the Premises is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), Base Rent and Tenant's Proportionate Share shall be reduced by the ratio that the portion so taken bears to the rentable square footage of the Premises before such taking, effective as of the date when title vests in such governmental or quasi-governmental authority, and this Lease shall otherwise continue in full force and effect. Tenant shall have no claim against Landlord (or otherwise) as a result of such taking, and Tenant hereby agrees to make no claim against the condemning authority for any portion of the amount that may be awarded as compensation or damages as a result of such taking; provided, however, that Tenant may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of Tenant's property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of Landlord at the termination hereof, as long as such claim is separate and distinct from any claim of Landlord and does not diminish Landlord's award. Tenant hereby assigns to Landlord any right and interest it may have in any award for its leasehold interest in the Premises.

ARTICLE 22 DEFAULT

- 22.1 Events of Default. Each of the following shall constitute an "Event of Default": (i) Tenant fails to pay Rent within ten (10) days after notice from Landlord; provided that no such notice shall be required if at least two (2) such notices shall have been given during the same Lease Year; (ii) Tenant fails to observe or perform any other term, condition or covenant herein binding upon or obligating Tenant within twenty (20) days after notice from Landlord specifying the failure (or, in the case of any such failure which cannot with due diligence be cured within twenty (20) days, within such additional period, if any, as may be reasonably required by Tenant to cure such failure with due diligence), (iii) Tenant abandons or vacates the Premises; (iv) Tenant makes or consents to a general assignment for the benefit of creditors or a common law composition of creditors, or a receiver of the Premises or all or substantially all of Tenant's is appointed, or (v) Tenant files a voluntary petition in any bankruptcy or insolvency proceeding, or an involuntary petition in any bankruptcy or insolvency proceeding is filed against Tenant and is not discharged by Tenant within sixty (60) days.
- <u>Landlord's Remedies</u>: Upon the occurrence of an Event of Default by Tenant, Landlord shall be entitled to all remedies available to Landlord at law or in equity, including, but not limited to, the right to terminate the Lease, the right to terminate Tenant's right of possession without terminating the Lease, the right to relet the Premises in Landlord's name (if the Lease has been terminated) or as agent for Tenant (if Tenant's right of possession has been terminated and this Lease has not), with any termination of this Lease or of Tenant's right to possession of the Premises to be effectuated by appropriate proceedings brought in the District Court for Montgomery County, Maryland, the Circuit Court for Montgomery County, Maryland, or in any other court of competent jurisdiction located in Montgomery County, Maryland. Notwithstanding the termination of this Lease or Tenant's right of possession, Tenant shall remain liable for any and all claims, costs, damages, expenses, fees, liabilities and losses suffered or incurred by or on behalf of Landlord as a result of Tenant's default (including, but not limited to, all Rent due hereunder through the end of the Term, and any costs to recover possession of the Premises and/or to relet the same). In addition, Landlord may (but shall not be obligated to), without waiving such default, perform same for the account and at the expense of Tenant (in which case Tenant shall pay Landlord all costs of such performance promptly upon receipt of a bill therefor).
- 22.3 <u>Recovery of Rent</u>. In the event of any deficiency in the payment of the rental during the Term (disregarding any early termination thereof), which is not cured by Tenant within ten (10) days after receipt of written demand therefore from Landlord, of if the Tenant shall vacate or abandon said Premises, Landlord may, by appropriate proceedings, recover the rents then due hereunder or, at its option, Landlord may re-rent from time to time said Premises

for the account of the Tenant, and such re-renting may be for a term or terms equal to, less, or greater than the remaining term hereunder, provided the Tenant shall not be liable for any deficiency in rent for any part of the term of such re-renting beyond the term of this Lease. Landlord shall be entitled to collect the rent accruing under such re-renting and to apply the same first to all costs and expenses, including commissions, "standard" improvements and repairs necessary for re-renting, and attorney's fees incurred in connection with such re-renting and collection of rentals, and apply the balance to the deficiency in accrued rent under this Lease, and in one or more suits, at Landlord's option, recover any remaining deficiency or unrecovered sums from the Tenant. In the event of any suit by Landlord to recover possession, or for unpaid rent, Landlord shall also be entitled to recover (i) costs of suit, including reasonable attorney's fees and (ii) reasonable costs of re-renting the Premises, including leasing commissions, standard improvements and repairs.

- 22.4. WAIVER OF NOTICE TO QUIT, RIGHT OF REDEMPTION. TO THE EXTENT PERMITTED BY APPLICABLE LAW, TENANT HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION AND RIGHTS TO CURE ANY DEFAULT HEREUNDER (HOWSOEVER DENOMINATED) AFTER LANDLORD RECOVERS POSSESSION OF THE Premises, NOW OR HEREAFTER GRANTED TO TENANT PURSUANT TO APPLICABLE LAW. NO ACCEPTANCE BY LANDLORD OF ANY MONIES OWED BY TENANT TO LANDLORD SHALL CONSTITUTE A WAIVER OF THE PROVISIONS OF THIS ARTICLE 22, NOR SHALL ANY REFUSAL BY LANDLORD TO ACCEPT ANY TENDER BY TENANT OF ANY SUMS OWED BY TENANT TO LANDLORD, IN CONNECTION WITH ANY PURPORTED EXERCISE OF ANY RIGHT OF REDEMPTION OR RIGHT TO CURE TO WHICH TENANT WOULD OTHERWISE BE ENTITLED, CONSTITUTE A TERMINATION OF THIS LEASE OR A RELEASE OF TENANT FROM ANY LIABILITY HEREUNDER. EXCEPT AS SPECIFICALLY PROVIDED IN THIS LEASE (E.G., IN RELATION TO THE REQUIREMENT THAT LANDLORD PROVIDE WRITTEN NOTICE AND AN OPPORTUNITY TO CURE TO THE EXTENT PROVIDED FOR UNDER SECTION 21.1, ABOVE), AND EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY PURSUANT TO APPLICABLE LAW, TENANT HEREBY EXPRESSLY WAIVES THE SERVICE OF ANY NOTICE TO CURE OR VACATE OR TO QUIT THE PREMISES.
- 22.5. <u>Liquidated Damages</u>. If Landlord elects to terminate this Lease, Landlord shall have the option, to be exercised in Landlord's sole discretion, to require Tenant to pay Landlord, in lieu of actual damages, liquidated damages in the sum of (a) accrued and unpaid Rent as of the date of such termination (together with interest and late charges thereon in the amounts specified herein), plus (b) the present value (based on a discount rate equal to the then-current yield on Treasury bonds maturing at approximately the same time as the Expiration Date) of the aggregate of the monthly installments of annual rent for eighteen (18) month period commencing on the date following such termination (or, if less than eighteen (18) months remain in the Term, the aggregate of Landlord's reasonable estimate of the monthly installments of annual rent for the remainder of the Term), in one lump sum, said sum being the parties' reasonable estimation of

the damages which Landlord will suffer as a result of Tenant's breach (including the loss of rents, the costs of reletting, and the rent concessions which Landlord would have to incur as a consequence thereof) as of the date hereof. Tenant shall pay to Landlord the foregoing sum immediately upon delivery to it of Landlord's notice of the foregoing election. Landlord and Tenant hereby acknowledge and agree that the foregoing sum represents an enforceable liquidated remedy, and does not (and in no event shall be deemed to) constitute a penalty, the parties hereby further acknowledging that, in light of the size of the Premises, Landlord is likely to encounter a substantial and prolonged period of vacancy, and substantial brokerage fees and other costs and expenses in connection with any attempt to relet the Premises following a termination of this Lease.

- 22.6. <u>Default by Landlord</u>. If the Landlord or Landlord's assigns shall fail or neglect to keep and perform each and every one of Landlord's covenants, conditions, and agreement as contained herein, and such failure or neglect is not remedied within twenty (20) days (or such longer period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the Tenant or Tenant's assigns specifying the default, then the Tenant or Tenant's assigns, at Tenant's option, may pursue any legal remedies available to Tenant, including actions necessary to mitigate damages, but expressly excluding any termination, rescission or action for damages.
- 22.7 <u>No Waiver</u>. In the event that proceedings shall at any time be commenced for recovery of possession as aforesaid and a compromise or settlement shall be effected either before or after judgment whereby Tenant shall be permitted to retain possession of said Premises, then such proceedings shall not constitute a waiver of any condition or agreement contained herein or of any subsequent breath thereof or of this agreement. No waiver of any breach of any condition or agreement contained herein shall be construed to be a waiver of that condition or agreement or of any subsequent breach thereof, or of this agreement.
- 22.8 <u>Remedies Cumulative</u>. Except as otherwise expressly set forth herein, all remedies granted in this section or otherwise provided by law shall be cumulative and, unless inconsistent, may be exercised separately or concurrently, or successively.
- 22.9 <u>Contract for Lease</u>. If Tenant fails to take possession of the Premises upon the commencement of the Term, Landlord and Tenant acknowledge that this Lease may be construed as a contract to or for lease, as opposed to a contract of lease. Accordingly, Landlord and Tenant agree that, if Tenant defaults under this Lease prior to the Commencement Date, or if Tenant fails to accept possession of the Premises when tendered by Landlord (it being acknowledged and agreed that any such failure by Tenant to accept possession of the Premises when tendered by Landlord shall be a default hereunder), Landlord shall be entitled to terminate Tenant's right to possession of the Premises and to recover from Tenant contract damages resulting from Tenant's default and/or failure to accept possession of the Premises in an amount equal to all of the rents and other sums required to be paid under the Lease (as if Tenant had taken possession of the Premises when tendered by Landlord) from the date on which Landlord tenders possession

30

of the Premises to Tenant until the date on which the Premises are relet (if ever) or any early date on which the Lease would have expired by its terms, plus (but without duplication) all of the damage reserved to Landlord in this Lease (including, but not limited to, any rent deficiency upon any reletting, costs of reletting, and court costs and attorneys' fees incurred to relet the Premises and/or to enforce Landlord's rights under the terms of this Lease).

22.10 Prevailing Party Attorneys' Fees. If any action or proceeding is brought by either party against the other pertaining to or arising out of this Lease, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of the claims on which such party prevailed in such action or proceeding (the entitlement to reimbursement of reasonable attorney fees' being determined on a claim by claim basis). For purposes of the foregoing sentence, the "prevailing party" shall be deemed to be the party which, upon resolution of the action (whether by voluntary withdrawal, unilateral action, mutual settlement, dismissals or judgment), has obtained substantially the relief sought by such party in such action for the claim in question; provided that, Landlord shall in all events be deemed to be the prevailing party in any action in which Landlord is granted judgment for possession of the Premises. Without limiting the foregoing, Tenant shall pay all of Landlord's costs, charges and expenses, including court costs and reasonable attorneys' fees, incurred in enforcing Tenant's obligations under this Lease, or incurred by Landlord in any action brought by Tenant in which Landlord is the prevailing party.

ARTICLE 23 MORTGAGES

- 23.1 <u>Subordination</u>. This Lease is subject and subordinate to all ground or underlying leases and to any first Mortgage(s) which may now or hereafter affect such lease or the Land and to all renewals, modifications, consolidations, replacements and extensions thereof. This subordination shall be self-operative; however, in confirmation thereof, Tenant shall execute promptly any instrument that Landlord or any first Mortgagee may reasonably and appropriately request confirming such subordination. Notwithstanding the foregoing, before any foreclosure sale under a Mortgage, the Mortgagee shall have the right to subordinate the Mortgage to this Lease, and, in the event of a foreclosure, this Lease may continue in full force and effect and Tenant shall attorn to and recognize as its landlord the purchaser of Landlord's interest under this Lease. Tenant shall, upon the request of a Mortgagee or purchaser at foreclosure, execute, acknowledge and deliver any reasonable and appropriate instruments that effect the subordination of the lien of any Mortgage to this Lease or Tenant's attornment to such Purchaser.
- 23.2 <u>Mortgagee Protection</u>. Tenant agrees to give any Mortgagee by certified mail, return receipt requested, a copy of any notice of default served by Tenant upon Landlord, provided that before such notice Tenant has been notified in writing of the address of such Mortgagee. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then Mortgagee shall have an additional thirty (30) days within which to cure such default; provided, however, that if such default cannot be reasonably

31

cured within that time, then such Mortgagee shall have such additional time as may be necessary to cure such default so long as Mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default (including, without limitation, the commencement of foreclosure proceedings, if necessary), in which event this Lease shall not be terminated or Rent abated while such remedies are being so diligently pursued. In the event of the sale of the Land or the Building, by foreclosure or deed in lieu thereof, the Mortgagee or purchaser at such sale shall be responsible for the return of the Security Deposit only to the extent that such Mortgagee or purchaser actually received the Security Deposit.

ARTICLE 24 SURRENDER; HOLDING OVER

- 24.1 <u>Duty to Surrender</u>. Tenant, upon expiration or termination of this Lease, either by lapse of time or otherwise, shall peaceably surrender to Landlord the Premises, broomclean and in good order and repair, and in the same condition as at the completion of the initial construction of leasehold improvements, normal wear and tear and damage by fire, storm and any other risk against which Landlord is insured and with respect to which Tenant is not herein made expressly liable, excepted.
- 24.2 Holdover by Consent. If Tenant holds over the expiration of this Lease with Landlord's consent, the tenancy created by such holding over shall be a month to month tenancy, but in all other respects shall be governed by the terms of this Lease, provided, however, that (i) in all cases (except a default by Tenant hereunder) a thirty (30) day notice shall be required to terminate th tenancy created by such hold-over, and (ii) the Monthly Rent payable hereunder during any such holdover period shall be 150% of the Monthly Rent in effect for the last month of the Term then ending; and provided further that (a) if, upon the expiration of this Lease, Landlord and Tenant are actively engaged in good faith negotiations for a renewal of this Lease, Landlord agrees (on the condition the remainder of such holdover rent is paid timely) to defer payment of the excess of such holdover rent above the rental in effect immediately prior to the expiration of the Lease until the earlier of the ninetieth (90th) day after the expiration of the Term or the date on which such negotiations cease, and (c) if, on or before the ninetieth (90th) day after the expiration of the Lease Term, Landlord and Tenant execute and deliver a renewal of this Lease, then Landlord agrees to waive payment of the amount of holdover rent deferred pursuant to clause (a) of this Section 24.2.
- 24.3 <u>Holdover Without Consent</u>. Notwithstanding the foregoing, if the Tenant holds over the expiration of this Lease without Landlord's consent, Tenant shall, in the absence of any agreement to the contrary, be a tenant at sufferance, and shall pay to Landlord holdover damages equal to the greater of (i) the then-current fair market rental value of the Premises or (ii) 150% of the Monthly Rent plus Additional Rent in effect immediately prior to the expiration of the Term for the entire period of such tenancy at sufferance.

24.4 <u>Damages</u>. Subject to Section 4.2(E), and to the extent permitted by law, Tenant shall defend, indemnify and hold Landlord harmless from and against any and all claims, losses, liabilities or damages resulting from Tenant's failure to surrender possession of the Premises in accordance with this Section 24 (including, but not limited to, any and all claims made by any succeeding tenant).

ARTICLE 25 QUIET ENJOYMENT

Landlord covenants that if Tenant shall pay Rent and perform all of Tenant's obligations under this Lease, Tenant shall during the Term peaceably and quietly occupy and enjoy possession of the Premises without molestation or hindrance by Landlord or any party claiming through or under Landlord, subject to (i) the provisions of this Lease, (ii) the provisions of any Mortgage to which this Lease is subordinate and (iii) the provisions of any easements, conditions and restrictions of record affecting the Land to the extent recorded prior to the date of this Lease or otherwise in accordance with the terms hereof.

ARTICLE 26 TENANT'S COVENANTS REGARDING HAZARDOUS MATERIALS

26.1 <u>Definition</u>. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "infectious wastes," "hazardous materials" or "toxic substances" now or subsequently regulated under any federal, state or local laws, regulations or ordinances (collectively, "Environmental Laws") including, without limitation, oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

26.2 General Prohibition.

(A) Except as (and solely to the extent) expressly permitted under Section 26.2(B), below, Tenant shall not cause nor permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Premises, the Building or the Land without the prior written consent of Landlord. Landlord shall be entitled to take into account such factors or facts as Landlord may in its good faith business judgment determine to be relevant in determining whether to grant, condition or withhold consent to Tenant's proposed activity with respect to Hazardous Material and, subject to Section 4.2(E) and to the extent permitted or required by law, Tenant shall indemnify, defend and hold Landlord harmless from any and all actions (including, without limitation, remedial or enforcement actions of any kind, administrative or judicial proceedings,

and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including, without limitation, punitive damages), expenses (including, without limitation, attorneys', consultants' and experts' fees, court costs and amounts paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal or bodily injury, property damage, contamination of or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this prohibition by Tenant, or any person or entity acting by, through or under Tenant (including any Agents or sublessees of Tenant). In no event, however, shall Landlord be required to consent to the installation or use of any storage tanks in, on or under the Premises, the Building or the Land. If Landlord consents to the generation, production, use, storage, treatment or disposal of Hazardous Materials in or about the Premises by Tenant and its Agents, then, in addition to any other requirements or conditions that Landlord may impose in connection with such consent, (1) Tenant promptly shall deliver to Landlord copies of all permits, approvals, filings, and reports reflecting the legal and proper generation, production, use, storage, treatment or disposal of all Hazardous Materials generated, used, stored, treated or removed from the Premises, the Building and the Land and, upon Landlord's request, copies of all hazardous waste manifests relating thereto, and (2) upon expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Materials arising out of or related to the use or occupancy of the Premises by Tenant or its Agents to be removed from the Premises, the Building and the Land and transported for use, storage or disposal in accordance with all applicable laws, regulations and ordinances and Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord of the same.

(B) Notwithstanding the foregoing, Tenant and its permitted assignees and subtenants shall be permitted to use, store handle and dispose of reasonable amounts of Hazardous Materials that are typically used in the operation of the Permitted Use (or such other uses as may be approved in writing by Landlord), such as ordinary cleaners, printer and duplication supplies and similar materials (the "Permitted Materials") provided such Permitted Materials are properly used, stored, handled and disposed of in a manner meeting all Environmental Laws. Any such use, storage and disposal shall be subject to all of the terms of this Section (except for the terms prohibiting same), and Tenant shall be responsible for obtaining any required permits and paying any fees and providing any testing required by any governmental agency with respect to the Permitted Materials. If Landlord in its reasonable opinion determines that said Permitted Materials are being improperly stored, used, handled or disposed of, then Tenant shall immediately take such corrective action as may be reasonably requested by Landlord. Should Tenant fail to commence such corrective action within two (2) business days after notice from Landlord and complete such corrective action within ten (10) business days (or (i) such longer period as may be necessary in the exercise by Tenant of reasonable and diligent efforts to complete such corrective action without delay, or (ii) such shorter period as may be appropriate in the event of an Emergency), Landlord shall have the right to perform such work on Tenant's behalf and at Tenant's sole expense, and Tenant shall promptly reimburse Landlord for any and all costs associated with said work.

26.3 Notice. In the event that Hazardous Materials for which Tenant is responsible under this Lease are discovered upon, in, or under the Premises, the Building or the Land and any governmental agency or entity having jurisdiction over the Premises, the Building or the Land requires the removal of such Hazardous Materials, Tenant shall be responsible for removing such Hazardous Materials. Notwithstanding the foregoing, Tenant shall not take any remedial action in or about the Premises, the Building or the Land, nor enter into any settlement agreement, consent decree or other compromise with respect to any claims relating to any Hazardous Material in any way connected with the Premises, the Building or the Land without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to appear, intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto. Tenant immediately shall notify Landlord in writing of: (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Premises, the Building, the Land or any portion thereof by Tenant or its Agents, (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated or threatened (if Tenant has notice thereof) pursuant to any Hazardous Materials Laws as a result of the presence of Hazardous Materials for which Tenant is responsible under this Lease; (iii) any claim made or threatened by any person against Tenant, the Premises, the Building or the Land relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials of which Tenant has notice; and (iv) any reports made to any environmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Premises, the Building or the Land, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises, the Building, the Land or Tenant's use or occupancy thereof.

26.4 Medical Wastes.

(i) To the extent Tenant's Permitted Use of the Premises in any way involves the handling, use, disposal and/ or processing of medical waste, including but not limited to (A) human or animal tissue, blood, urine and/or other bodily fluids, materials and/or biological byproducts, and (B) medical supplies (such as, but not limited to, used syringes, gauze and bandages, etc.) (hereinafter, collectively, "Medical Waste"), Tenant shall be solely responsible for the proper use, storage, removal and disposal of same from the Premises. Tenant shall make arrangements with a reputable and duly licensed disposal company or contractor for the proper disposal of Medical Waste, in accordance with lawfully permitted methods of Medical Waste disposal, and Tenant shall pay all costs associated with such disposal. Tenant shall not place any Medical Waste in any of the Common Areas without Landlord's prior consent. In its processing, use and disposal of Medical Waste, Tenant shall comply with all applicable laws, regulations and ordinances governing the generation, use, processing and disposal thereof, as well as any additional requirements which Landlord may reasonably establish from time to time by written notice to Tenant.

- (ii) Tenant shall bear all costs and liability resulting from the presence of Medical Waste which is caused or permitted by Tenant (or Tenant's agents, employees or contractors) in, on or under the Premises, the Building or The Campus at Metro Park North (including without limitation, liability arising from the transportation of Medical Waste to or from the Premises, Building and/or Project and the cleanup of Medical Waste therefrom.)
- (iii) Subject to Section 4.2(E), Tenant shall indemnify Landlord and its Agents from and against any and all claims, losses, damages, liabilities and expenses (including reasonable attorneys' fees) incurred, suffered or sustained by (or brought against) Landlord arising from or associated with: (i) the acts or omissions of Tenant, its agents, employees or contractors with respect to the presence of Medical Waste at the Premises, the Building and/or The Campus at Metro Park North (including without limitation, liability arising from the transportation of Medical Waste to or from the Premises or the cleanup of Medical Waste); (ii) the storage and disposal of Medical Waste by Tenant, its agents, employees or contractors; or (iii) Tenant's operations at the Premises related to the processing, use and disposal of Medical Waste. This indemnification shall survive termination of the Lease.
- 26.5 <u>Survival</u>. The respective rights and obligations of Landlord and Tenant under this Article 26 shall survive the expiration or earlier termination of this Lease without limitation.

ARTICLE 27 CONTINGENCIES

27.1 Lender Approval. This Lease and the obligations of the parties hereto are subject to the approval of this Lease by the lender financing Landlord's acquisition, construction and/or ownership of the Property and Building. Landlord shall forward an executed counterpart of this Lease to such lender for its review and approval at the time of delivery of such Lease to Landlord executed by Tenant, or at the time the initial acquisition and construction loan with respect to the property and Building is made, whichever last occurs. Landlord shall notify Tenant within fifteen (15) business days after Lease execution of whether such approval has been given or denied, and, if denied, this Lease shall thereupon terminate and shall be deemed void <u>ab initio</u>. If Landlord fails to so notify Tenant by the earlier to occur of (i) fifteen (15) business days after final Lease execution, or (ii) the date Landlord tenders possession of the Premises to Tenant in accordance herewith, Landlord shall be deemed to have notified Tenant that the lender's approval was obtained, and that this Lease continues in full force and effect.

ARTICLE 28 MISCELLANEOUS

28.1 <u>No Representation by Landlord</u>. Tenant acknowledges that neither Landlord or its Agents nor any broker has made any representation or promise with respect to the Premises, the Building, the Land or the Common Area, except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Tenant except as herein expressly set forth.

Except as otherwise set forth herein or in Exhibit B of this Lease, Tenant, by taking possession of the Premises shall accept the Premises and the Building in "AS IS" condition.

- 28.2 <u>No Partnership</u>. Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between Landlord and Tenant other than that of landlord and tenant.
- 28.3 <u>Brokers</u>. Landlord recognizes Broker(s) as the sole broker(s) procuring this Lease and Landlord shall pay Broker(s) a commission therefor pursuant to a separate agreement between Broker(s) and Landlord. Landlord and Tenant each represents and warrants to the other that it has not employed any broker, agent or finder other than Broker(s) relating to this Lease. Landlord shall indemnify and hold Tenant harmless, and Tenant shall indemnify and hold Landlord harmless, from and against any claim for brokerage or other commission arising from or out of any breach of the indemnitor's representation and warranty.
- 28.4 Estoppel Certificate. Tenant shall, without charge, at any time and from time to time, within twenty (20) days after request therefor by Landlord, Mortgagee, any purchaser of the Land or the Building or any other interested person, execute, acknowledge and deliver to such requesting party a written estoppel certificate certifying, as of the date of such estoppel certificate, the following: (i) that this Lease is unmodified and in full force and effect (or if modified, that the Lease is in full force and effect as modified and setting forth such modifications); (ii) that the Term has commenced (and setting forth the Commencement Date and Expiration Date); (iii) that Tenant is presently occupying the Premises; (iv) the amounts of Base Rent and Additional Rent currently due and payable by Tenant; (v) that any Alterations required by the Lease to have been made by Landlord have been made to the satisfaction of Tenant; (vi) that Tenant has no knowledge of any existing set-offs, charges, liens, claims or defenses against the enforcement of any right hereunder, including without limitation, Base Rent or Additional Rent (or, if alleged, specifying the same in detail); (vii) that no Base Rent (except the first installment thereof) has been paid more than thirty (30) days in advance of its due date; (viii) that Tenant has no knowledge of any then uncured default by Landlord of its obligations under this Lease (or, if Tenant has such knowledge, specifying the same in detail); (ix) that Tenant is not in default; (x) that the address to which notices to Tenant should be sent is as set forth in the Lease (or, if not, specifying the correct address); and (xi) any other certifications reasonably requested by Landlord consistent with standard commercial practices. The foregoing clause (ix) to the contrary notwithstanding, any such certifications shall be subject to the limitations (if any) imposed by law upon the executive of a political subdivision of the State of Maryland to make any required statements or certifications. In addition, if and for so long as the "Tenant" under this Lease is no longer the County or other political subdivision of the State of Maryland, within five (5) days after request by Landlord, Tenant shall deliver to Landlord audited financial statements of Tenant for its most recently ended fiscal year and interim unaudited financial statements for its most recently ended quarter.

28.5 WAIVER OF TRIAL. IN CONSIDERATION OF THE RECIPROCAL WAIVER GRANTED BY THE OTHER PARTY PURSUANT TO THIS SECTION 28.5. EACH OF THE LANDLORD AND TENANT HEREBY (I) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY A JURY, AND (II) WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST, WITH RESPECT TO EACH AND EVERY ACTION, CLAIM, COUNTERCLAIM, PROCEEDING OR SUIT IN WHICH LANDLORD AND TENANT ARE ADVERSE PARTIES OR TAKE ADVERSE POSITIONS. THIS WAIVER OR RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE, INCLUDING, BUT NOT LIMITED TO, ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER LANDLORD OR TENANT ON, OR IN RESPECT OF, ANY MATTER OR CLAIM WHATSOEVER, WHETHER SOUNDING IN TORT OR CONTRACT, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE PREMISES OR THIS LEASE (INCLUDING, BUT NOT LIMITED TO, ANY CHALLENGE TO THE VALIDITY AND/OR EFFECTIVENESS OF THE LEASE IN WHICH THIS JURY TRIAL WAIVER APPEARS OR TO THE VALIDITY OR EFFECTIVENESS OF THIS JURY TRIAL WAIVER, WHETHER BY CLAIM OR FRAUD IN THE FACTUM OR IN THE INDUCEMENT, INTENTIONAL OR NEGLIGENT MISREPRESENTATION, DECEIT, OR OTHERWISE), THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER, TENANT'S USE OR OCCUPANCY OF THE PREMISES AND/OR ANY CLAIM OF PERSONAL OR PROPERTY INJURY OR DAMAGE, OR ANY STATUTORY REMEDY. EACH PARTY HERETO IS HEREBY AUTHORIZED AND REQUESTED TO SUBMIT THIS LEASE PROVISION TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES HERETO, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF THE HEREIN CONTAINED WAIVER OF THE RIGHT TO JURY TRIAL. FURTHER, EACH OF LANDLORD AND TENANT HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE OTHER PARTY HERETO (NOR THEIR RESPECTIVE COUNSEL) HAS REPRESENTED TO THE OTHER. EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WILL NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT OF JURY TRIAL PROVISION. BY INITIALING WHERE INDICATED BELOW, LANDLORD AND TENANT EACH ACKNOWLEDGE THAT (I) THEY ARE FULLY AWARE OF THE EXISTENCE OF THIS JURY TRIAL WAIVER, (II) THEY HAVE READ AND FULLY REVIEWED THIS JURY TRIAL WAIVER, (III) THEY HAVE HAD A REASONABLE OPPORTUNITY TO REVIEW THIS JURY TRIAL WAIVER WITH COUNSEL OF THEIR RESPECTIVE CHOICE, AND (IV) THIS JURY TRIAL WAIVER CONSTITUTES AN INDEPENDENT AGREEMENT AND COVENANT OF LANDLORD AND TENANT WHICH SHALL SURVIVE (A) THE INVALIDATION OF ALL OR ANY PORTION OF THE REMAINDER OF THE DEED OF LEASE IN WHICH THIS JURY TRIAL

WAIVER APPEARS, OR (B) THE EXPIRATION OR SOONER TERMINATION OF THE DEED OF LEASE IN WHICH THIS JURY TRIAL WAIVER APPEARS.

TENANT'S INITIALS:	LANDLORD'S INITIALS:

- 28.6 <u>Notices</u>. All notices or other communications hereunder shall be in writing and shall be deemed duly given if delivered in person or upon the earlier of receipt, if mailed by certified or registered mail, or three (3) days after certified or registered mailing, return receipt requested, postage prepaid, addressed and sent, if to Landlord to Landlord's Address specified in Section 1.14 or if to Tenant to Tenant's Address specified in Section 1.15. Landlord and Tenant may from time to time by written notice to the other designate another address for receipt of future notices.
- 28.7 <u>Invalidity of Particular Provisions</u>. If any provisions of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the full extent permitted by law.
- 28.8 <u>Gender and Number</u>. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number or gender as the context may require.
- 28.9 <u>Benefit and Burden</u>. Subject to the provisions of Article II and except as otherwise expressly provided, the provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, heirs, successors and assigns. Landlord may freely and fully assign its interest hereunder.
- 28.10 Entire Agreement. This Lease (which includes the Exhibits and Rider attached hereto) contains and embodies the entire agreement of the parties hereto, and no representations, inducements or agreement, oral or otherwise, between the parties not contained in this Lease shall be of any force or effect. This Lease (other than the Rules and Regulations, which may be changed from time to time as provided herein) may not be modified, changed or terminated in whole or in part in any manner other than by an agreement in writing duly signed by Landlord and Tenant
- 28.11 <u>Authority</u>. Tenant hereby represents and warrants to Landlord that Tenant has full power and authority to enter into this Lease and that Tenant has been duly authorized, by all necessary governmental action, to execute and deliver this Lease and to bind itself to all of the obligations to be performed by Tenant hereunder.
 - 28.12 [Intentionally Deleted].
- 28.13 <u>Interpretation</u>. This Lease shall be governed by the substantive and procedural laws of the State of Maryland (without regard to choice of law principles).

- 28.14 Sale. In the event that the original Landlord hereunder, or any successor owner of the Building, shall sell or convey the Building, all liabilities and obligations on the part of the original Landlord, or such successor owner, under this Lease occurring thereafter shall terminate as of the day of such sale, and thereupon all such liabilities and obligations shall be binding on the new owner. Tenant agrees to attorn to such new owner. Any successor to Landlord's interest shall not be bound by (i) any payment of Base Rent or Additional Rent for more than one (1) month in advance, except for the payment of the first installment of First Year Base Rent or (ii) as to any Mortgagee or any purchaser at foreclosure, any amendment or modification of this Lease made without the consent of such Mortgagee.
- 28.15 <u>Time of the Essence</u>. Time is of the essence as to both Landlord's and Tenant's obligations contained in this Lease.
- 28.16 Force Majeure. Except as hereafter provided, neither Landlord nor Tenant shall be considered to be in default of an obligation under this Lease nor liable for loss or damage for failure to perform an obligation (nor shall the other party be released from any of its obligations under this Lease if the non-performing party is delayed in performing an obligation), where the performance of such obligation by the non-performing party is delayed as a result of event of "Force Majeure" which shall mean any acts of God, strikes, lockouts, labor difficulties, materials shortages, moratoria, explosions, sabotage, accidents, riots, civil commotions, acts of war, results of any warfare or warlike conditions in this or any foreign country, fire or casualty, unusually inclement weather, unusual governmental delays (including any processing of the building permit for the Tenant Improvements which exceeds six (6) weeks after initial submission), legal requirements, energy shortages or other causes beyond the reasonable control of the non-performing party, provided that in no event shall (i) financial inability be considered an event of Force Majeure, and (ii) in no event shall Force Majeure excuse the timely performance by Tenant of its monetary obligations under this Lease.
 - 28.17 Headings. Captions and headings are for convenience of reference only.
- 28.18 <u>Recordation of Lease</u>. Landlord and Tenant agree that this Lease may be recorded among the land records of Montgomery County, such recordation to be at Tenant's expense. If recorded, each party to this Lease agrees to execute and acknowledge an instrument in recordable form confirming the expiration or termination of this Lease (a "Release") and to cause such Release to be recorded (at the expense of the party which originally caused the Lease to be recorded) promptly after the expiration or earlier termination of this Lease.
 - 28.19 [Intentionally Deleted].
- 28.20 <u>Effectiveness</u>. The furnishing of the form of this Lease shall not constitute an offer and this Lease shall become effective upon and only upon its execution by and delivery to each party hereto.

40

ARTICLE 29 SPECIAL PROVISIONS

29.1 Renewal Option.

- 29.1.1 Provided Tenant is not in monetary or other material Default of this Lease beyond any applicable cure periods at the time its rights hereunder are to be exercised, Tenant shall have the option (a "Renewal Option") to extend the Lease Term for one (1) period of sixty (60) months (the "Renewal Term") provided Tenant gives written notice to Landlord of its election to exercise such Renewal Option (the "Renewal Notice") not less than twelve (12) months prior to the expiration of the last day of the initial Lease Term or, as applicable, the initial Renewal Term.
- 29.1.2 All terms and conditions of this Lease, including without limitation, all provisions governing the payment of Additional Rent, shall remain in full force and effect during the Renewal Term(s), except the Base Rent shall be as set forth in this Section 29.1.
- 29.1.3 The Base Rent payable upon the commencement of the Renewal Term shall equal the then prevailing market rental rate (including base rental rate and annual escalation rate) applicable to renewal terms with respect to comparable space in comparable buildings in the vicinity of The Campus at Metro Park North (the "Fair Market Rate" or "FMR") at the time of the commencement of the applicable Renewal Term, determined based upon then existing renewal market conditions applicable to the leasing of comparable space in comparable buildings in the vicinity of The Campus at Metro Park North (taking into consideration use, location, quality, age and location of the applicable building and the definition of net rentable area). Further, the Fair Market Rate shall be determined on a triple-net basis. Landlord and Tenant shall negotiate in good faith and in accordance with the procedure set forth in Section 29.1.4, below, to determine the Fair Market Rate which will be applicable during the Renewal Term, with the goal of concluding such negotiation or triggering a determination of the FMR using a three-appraiser method (as described in Section 29.1.5, below) within not more than sixty (60) days after the date of Landlord's receipt of the Renewal Notice.
- Notice exercising either of the renewal options referenced above, Landlord will provide Tenant with a written notice (the "FMR Notice") indicating the base rental rate and annual escalation rate which Landlord determines in good faith represents the then current FMR for the Premises. Such FMR Notice shall state in all capital letters and bold print on its face that, if Tenant fails to respond to such FMR Notice within ten (10) business days after Tenant's receipt thereof, Tenant shall be deemed to have accepted the base rental rate and annual escalation rate stated therein. If Tenant is in agreement with the base rental rate and annual escalation rate stated in the FMR Notice, Tenant shall so notify Landlord within ten (10) business days after its receipt thereof, in which case such base rental rate and annual escalation rate shall constitute the FMR for such Renewal Term within the meaning of this Section 29.1. If Tenant determines in good faith that the base rental rate and annual escalation rate stated by Landlord in the FMR Notice are in excess of actual FMR for the Premises, Tenant shall so notify Landlord in writing prior to the end of the ten (10) business day period after Tenant received Landlord's FMR Notice, stating in its

response (hereinafter referred to as "Tenant's Counterproposal") the base rental rate and annual escalation rate which Tenant determines in good faith represents the then current FMR for the Premises. If Tenant fails to respond to the Landlord's FMR Notice within such ten (10) business day period, Tenant shall be deemed to have accepted the base rental rate and annual escalation rate stated in Landlord's FMR Notice. If Tenant does provide Tenant's Counterproposal to Landlord in a timely fashion, and Landlord agrees that the base rental rate and annual escalation rate stated in Tenant's Counterproposal represent the then current FMR, Landlord shall so notify Tenant within ten (10) business days after its receipt thereof, in which case such base rental rate and annual escalation rate shall constitute the FMR for such Renewal Term within the meaning of this Section 29.1. If Landlord fails to respond to the Tenant's Counterproposal within ten (10) business days after Landlord's receipt of the Tenant's Counterproposal, or rejects the rental rate and escalation rate stated therein, then the parties agree to submit the issue of what constitutes the appropriate FMR for the Premises for the Renewal Term to determination using a "three appraiser method" as described in Section 29.1.5, below.

29.1.5 If the parties submit the issue of what constitutes the appropriate FMR for the Premises for the Renewal Term to determination using a "three appraiser method", then the basic Rent and annual escalations applicable during the Renewal Term shall be equal to the FMR and annual escalation rates determined by a board of three (3) licensed real estate appraisers, one of whom shall be named by Landlord, one by Tenant, and the two so appointed shall select the third. Each member of the board of appraisers shall be licensed in the State of Maryland as a real estate appraiser, with a substantial familiarity in the field of commercial office leasing in the Rockville area of Montgomery County, Maryland having no less than ten (10) years experience in such field, and recognized as ethical and reputable within the field. Landlord and Tenant agree to make their appointments within five (5) business days after the earlier to occur of (i) the expiration of the ten (10) day period after Landlord's receipt of Tenant's Counterproposal, or (ii) the date Landlord notifies Tenant of its rejection of Tenant's Counterproposal. The two (2) appraisers selected by Landlord and Tenant shall promptly select a third appraiser within ten (10) days after the second to be appointed has been appointed, and each appraiser, within ten (10) days after the third appraiser is selected, shall submit his or her determination of the said FMR and escalations (taking into account the provisions of Section 51.3 hereof). If either of the parties fail to select an appraiser within the aforesaid time periods, such party's appraiser shall be designated (in compliance with the applicable criteria set forth above and affiliated with a different company from the other broker) by an agent of the Montgomery County Board of Realtors in office at such time; and if the appraisers selected by Landlord and Tenant (or on their behalf) are unable to reach agreement on the identity of the third appraiser within the applicable ten (10) day period, then the third appraiser shall be designated (in compliance with the applicable criteria set forth above) by an agent of the Montgomery County Board of Realtors in office at such time. The FMR shall be the average of amount determined by the two appraisers whose determinations are closest in amount to each other (or if two appraisers reach an identical determination, the determination of such two appraisers), provided that if the two (2) most proximate determinations of FMR differ by more than five percent (5%), then the determination of FMR by such board of three appraisers shall be null and void, and Landlord and Tenant shall, within five (5) business days thereafter, appoint a new board of three different real estate appraisers meeting the above-stated criteria, who shall convene in accordance with the procedures and time frames set forth above in order to render a new determination, as if the first

determination had never taken place. After the Fair Market Rent has been established, the appraisers shall immediately notify the parties in writing, and such determination shall be conclusive and binding upon the parties. Landlord and Tenant shall each pay the fee of the appraiser selected by it, and they shall equally share the payment of the fee of the third appraiser.

[Text Ends - Signatures Commence on the Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the 28 day of September __, 2000.

LANDLORD:

ROCK CREEK M, LLC, a Maryland limited liability company

By: RCM, LLC, a Maryland limited liability company, Manager

By: ROCK CREEK ASSOCIATES F LIMITED PARTNERSHIP, a Texas limited partnership, Manager

By: R. Kevin Dougherty
Title: General Partner

TENANT:

MONTGOMERY COUNTY, MARYLAND

Name: William M. Mooney

Title: Assistant Chief Administrative Officer

APPROVED AS TO FORM & LEGALITY OFFICE OF THE COUNTY ATTORNEY:

RECOMMENDED:

Dote:

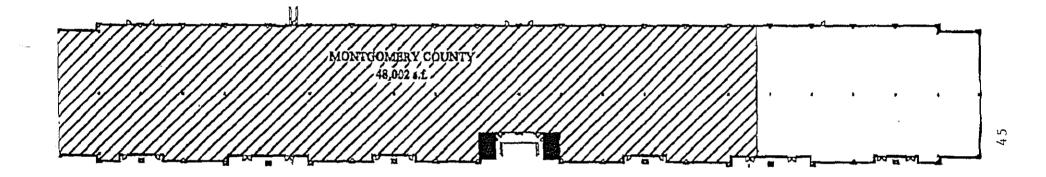
9/22/2000

Doto:

ACKNOWLEDGMENTS

STATE OF VIYALINA *		
STATE OF VIYALING * * to COUNTY OF FAIR FAX *	o wit:	
I hereby certify that on this	appeared R. Kevin Dougherty, who hat ose name is subscribed to this written in ner of Rock Creek Associates F Limited & Creek M, LLC, and, being authorized	s been astrument, who d Partnership, d to do so,
IN WITNESS WHEREOF, I here	eunto set my hand and official seal.	
	Melessa Jomes Notary Public	_[NOTARIAL SEAL]
My Commission Expires:		~ 222 222)
STATE OF Mary and * * to COUNTY OF Mary formular * I hereby certify that on this * before the subscribed, a notary Public of of , personally satisfactorily proven to be the person whacknowledged himself to be the Assistan Maryland, and, being authorized to do so therein contained, by signing the name of the state of the signing the si	ose name is subscribed to this written in the Chief Administrative Officer of Monto, executed the foregoing instrument for	nstrument, who gomery County
IN WITNESS WHEREOF, I here	eunto set my hand and official seal.	
My Commission Expires:	Notary Public	_[NOTARIAL SEAL]

DEBORAH A. RICHARDS NOTARY PUBLIC MY COMMISSION EXPIRES 3-1-04



METROPARK NORTH - BUILDING TWO

7300 CALHOUN PLACE ROCKVILLE, MARYLAND DLV ARCHITECTS

ARCHITECTURE / PLANNINO / INTERIORS / GRAPHICS
1500 RESEARCH BLVD. SUITE 101 ROCKVILLE, MD 20850
PH. (191) \$45-0040, FAX (301) \$45-0055

EXHIBIT A-2

46

EXHIBIT B WORK AGREEMENT

This Work Agreement is attached to and made a part of that certain Lease dated September _____, 2000 (the "Lease"), between ROCK CREEK M, LLC, a Maryland limited liability company ("Landlord") and MONTGOMERY COUNTY, MARYLAND ("Tenant"). The terms used in this Exhibit that are defined in the Lease shall have the same meanings as provided in the Lease.

1. General.

- 1.1 <u>Purpose</u>. This Agreement sets forth the terms and conditions governing the design, permitting and construction of the tenant improvements ("Tenant Improvements") to be installed in the Premises.
- 1.2 Tenant's Representative. Tenant acknowledges that Tenant has appointed Stephen Nash, Section Chief, Capital Projects Management, and Anjali Gulati, Project Manager, either of whom may act, as its authorized representatives (collectively, "Tenant's Representative") with full power and authority to bind Tenant for all actions taken with regard to the Tenant Improvements. Tenant hereby ratifies all actions and decisions with regard to the Tenant Improvements that the Tenant's Representative may have taken or made prior to the execution of this Work Agreement. Landlord shall not be obligated to respond to or act upon any plan, drawing, change order or approval or other matter relating to the Tenant Improvements until it has been executed by Tenant's Representative. Neither Tenant nor Tenant's Representative shall be authorized to direct Landlord's general contractor with respect to the Tenant Improvements. In the event that the Landlord's general contractor performs any such work under the direction of Tenant or Tenant's Representative, then Landlord shall have no liability for the cost of such work, the cost of corrective work required as a result of such work, any delay that may result from such work, or any other problem in connection with such work.

2. Work and Materials

- 2.1 <u>Tenant Improvements</u>. Landlord, at Tenant's expense, shall construct the Premises in accordance with the Tenant Plans (as defined below). The Tenant Plans shall be conclusive as to the entire scope of work to be performed by Landlord ("Tenant Improvements"). For purposes of this Lease, Tenant agrees that it has inspected the Building and Premises prior to Lease execution, that the Building and Premises are being delivered for the construction contemplated by this Work Agreement in its current "as-is" condition, and that all further modifications to the Building and Premises from its current "as-is" condition shall constitute Tenant Improvements for which Tenant has sole financial responsibility.
- 2.2 <u>No Improvement Allowance</u>. Tenant shall be solely responsible for all Costs associated with the design and construction of the Tenant Improvements and expressly acknowledges that it is not entitled to any allowance in respect thereof.

For purposes of this Exhibit B, the "Costs" of the Tenant Improvements shall mean any and all costs associated with the design and construction of the Tenant Improvements, including the cost of all labor, services and materials necessary to design, permit, manage, inspect and construct the Premises. Without limitation, the foregoing shall include all architectural and engineering fees and costs, sewer and water tap fees, WSSC systems development charges, plumbing fixture fees, fees and costs for preparation of mechanical, electrical and plumbing (MEP) drawings, inspection fees, costs associated with installing data and telecommunications cabling in the Premises, fees payable to Landlord as provided for in Section 4.2, below, contractor profits, Tenant's furniture, fixtures and equipment, and Tenant's moving expenses into the Building, whether any of the foregoing were furnished to, or by, Landlord or Tenant, and whether any of the foregoing were paid by Landlord prior to or after Lease execution or prior to or after the commencement of construction of the Tenant Improvements.

- 2.3 <u>Bidding</u>. The Tenant Improvements shall be competitively bid, as follows:
 - (a) Landlord shall cause the bidding package for the Tenant Improvements to be submitted to at least three (3) qualified contractors, all of whom shall be financially sound and able to complete the Tenant Improvements within the time frames contemplated hereby. The construction contract shall provide for the contractor to obtain a performance bond issued by a surety reasonably acceptable to Landlord and Tenant.
 - All contractors shall submit their bids directly to Landlord and Landlord will (b) review and analyze all bids submitted, and Landlord shall format all the bids for review by Tenant using a bid format (the "Bid Format") which lists all bids received. Landlord will provide the Bid Format to Tenant along with Landlord's estimate of the total costs which Landlord estimates will be applicable to the performance of the Tenant Improvements (hereinafter referred to as the "Cost Estimate") within seven (7) days after receiving the final bid from the contractors participating in the bidding process. The Bid Format is intended to make each bid submitted comparable in scope so that the bid prices reflected are based on substantially equal services and materials. In the absence of a substantial basis for selecting otherwise, after consultation with Tenant and at the direction of Tenant, Landlord agrees to award the contract for the Tenant Improvements" to the low bidder reflected within the Bid Format within five (5) working days after forwarding the "Cost Estimate" as long as the low bidder is able to meet any timing requirements applicable hereunder.
- 2.4 <u>Funding of Costs</u>. Upon receipt of a payment request from any contractor or materialman performing the Tenant Improvements, Landlord will supply a copy thereof to Tenant in writing. Landlord and Tenant will review (and if appropriate,

approve) such payment request in accordance with the terms of the construction contract for the Tenant Improvements. Tenant agrees to provide funds sufficient to pay each approved payment request (together with the applicable construction management fee payable to Landlord) within ten (10) business days after such approval thereof and the amount to be paid by Tenant (which payment will be made out to Landlord, with the appropriate amount to thereupon be disbursed by Landlord to the applicable contractor in accordance with the payment procedures provided for in the applicable construction contract). Tenant acknowledges that timely completion of the Tenant Improvements is dependent upon timely payment being made in accordance with the terms of all construction contracts pursuant to which the Tenant Improvements are performed, and that failure to fund Costs in a timely fashion shall constitute a Tenant Delay hereunder.

3. Design

- 3.1 Space Plan and Construction Drawings, Landlord's architect will prepare and submit to the Tenant for Tenant's approval, (A) a preliminary, detailed single line space plan for the construction of the leasehold improvements to each Space (as the case may be), indicating or including (i) a floor layout for the Premises, (ii) the location and dimensions of the interior Tenant partitions, (iii) a systems furniture layout, (iv) any non-standard improvements and/or finishes required by Tenant, and (v) any other special requirements (collectively the "Space Plan"); and (B) after approval by Tenant of the Space Plan, construction drawings and specifications, including MEP drawings, substantially consistent with the approved Space Plan and including, at a minimum all details required to obtain a building permit for the Tenant Improvements (the "CDs"). The Space Plan and CDs, each as approved by Tenant, are collectively referred to herein as the "Tenant Plans". Following completion of the space plan, Landlord will obtain and deliver to Tenant a good faith, preliminary cost estimate for the work reflected therein, provided that the parties acknowledge and agree that such preliminary cost estimate shall only be a preliminary estimate of the costs associated with the work reflected in the space plan, and shall not be binding on the Landlord or the contractor performing the work (and that the actual costs of such work shall be based solely upon the terms of the construction contract(s) awarded pursuant to the bidding process described in Section 2.3, above, and any change orders made pursuant to the terms of this Work Agreement).
- 3.2 <u>Time Periods</u>. The following maximum time periods shall be allowed for the following matters:

Action

Time Frame/Responsibility

- (a) Tenant furnishes all necessary information to Landlord's architect to enable Landlord's architect to prepare Space Plan (i.e. number of employees, number of required offices, conference rooms, etc.)
- (a) Prior to Lease execution

- (b) Tenant gives Landlord its comments to initial Space Plan, if any.
- (b) Prior to Lease Execution
- (c) Landlord responds to Tenant's comments to the Space Plan.
- (c) Prior to Lease Execution
- (c) Tenant gives Landlord its approval of Space Plan by signing and dating the Space Plan.
- (d) Five (5) working days after Tenant's receipt of the Space Plan from Landlords architect.
- (e) Tenant furnishes all necessary information to the Landlord's architect to enable the Landlord's architect to prepare the Tenant Plans (i.e., mechanical, electrical, telephone, finish selections, etc.), except as previously provided under clause (a) above.
- (e) Ten (10) working days after approval of Space Plan.

- (f) Tenant gives Landlord its comments to Tenant Plans.
- (f) Ten (10) working days after Tenant's receipt of Tenant Plans from Landlord's architect.

- (g) Landlord responds to Tenant's comments to the Tenant Plans.
- (g) Five (5) working days after Landlord's receipt of Tenant's comments.
- (h) Tenant gives Landlord its approval of the Tenant Plans by signing and dating Tenant Plans.
- Five (5) working days after Tenant's receipt of the Tenant Plans.
- (i) Tenant gives Landlord its approval of (i) the Cost Estimate by signing and dating the Cost Estimate.
- Five (5) working days after Tenant's receipt of the Cost Estimate.
- 3.3 Approvals by Landlord. Any revisions to the Tenant Plans for the Tenant Improvements shall be subject to Landlord's prior approval, which shall not be unreasonably withheld, conditioned or delayed, except that Landlord shall have complete discretion with regard to granting or withholding approval of Tenant Plans to the extent they materially and adversely impact the Building's structure or systems or would be visible from the exterior of the Building or any Common Area within the Building. Any changes, additions or modifications that Tenant desires to make to the Tenant Plans also shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld, conditioned or delayed except as provided above for items which materially and adversely impact the Building structure or systems or impact upon the exterior appearance thereof.

(h)

- 4. <u>Construction and Construction Management.</u>
 - 4.1 <u>Construction</u>. After approval of the Tenant Plans, Landlord shall administer the construction of the Tenant Improvements in accordance with the approved Construction Drawings and Specifications and approved change orders. All Tenant Improvements shall be constructed by or under the supervision of Landlord's contractor.
 - 4.2 <u>Construction Management</u>. Landlord shall act as or employ the services of a construction manager to oversee the performance of the general contractor performing the Tenant Improvements. A Construction Management fee equal to five percent (5%) of the total Costs for the Tenant Improvements shall be paid to Landlord, as such Costs are approved and funded by Tenant pursuant hereto.

Landlord's construction management responsibilities hereunder shall include, *inter alia*, review and approval of all Tenant Plans, supervision of the contractor performing the Tenant Improvements, participation and monitoring of the permit application process, administration of the general contract for performance of the Tenant Improvements (including coordination of payments thereunder), and assistance in the preparation of a punch list upon substantial completion of the Tenant Improvements.

5. Change Orders. Any changes to the Tenant Plans shall be permissible solely by a written change order approved by Landlord and Tenant. If Tenant requests any change or addition to the work or materials to be provided pursuant to this Exhibit after approval of the Tenant Plans, Landlord shall respond to Tenant's request for consent as soon as possible, but in no event later than five (5) working days after it being made. If Landlord approves such request, Landlord shall as soon as practicable thereafter notify Tenant of the cost of such change order and the delay in Substantial Completion of the Premises, if any, due to the change order, which shall be Tenant's sole responsibility except as hereafter set forth. To the extent a change order is required as a result of Landlord's failure to properly coordinate the construction documents, or due to an oversight in design resulting in non-conformity of the Premises to an applicable code requirement, Landlord shall be responsible for the incremental additional cost associated with implementing such change order, it being understood and agreed that the "incremental additional cost associated with implementing such change order" shall mean the amount by which performing the construction as modified by such change order exceeded what the cost of such item would have been had the item in question been properly designed or coordinated in the first place. Except as provided in the preceding sentence, all additional expenses attributable to any change order requested by Tenant and approved by Landlord, whether or not such change order relates to improvements paid for under the Tenant Improvements, shall be payable along with a five percent (5%) construction management fee to Landlord by Tenant upon approval by Tenant of the change order.

6. <u>Substantial Completion</u>.

6.1 General. Landlord shall use all reasonable and diligent efforts to cause Substantial Completion (as defined below) of the Tenant Improvements to occur on or before March 1, 2001 (as the same may be extended due to any Tenant Delays as set forth in Section 6.5, below, the "Target Date"), but, subject to the terms of Section 6.5, below (and except as set forth therein), neither the validity of this Lease nor the obligations of Tenant under this Lease shall be affected by a failure to Substantially Complete the Premises by the Target Date, and Tenant shall have no claim against Landlord because of Landlord's failure to Substantially Complete the Premises by the Target Date. Landlord shall communicate with Tenant on a regular basis regarding the progress of

construction and the status of completion relative to the projected date of Substantial Completion, and will provide Tenant with not less than fifteen (15) days prior written notice of the date upon which Landlord estimates that it will achieve substantial completion of the Tenant Improvements once Landlord is able to estimate a specific date with reasonable certainty.

- 6.2 <u>Substantial Completion</u>. "Substantial Completion" of the Tenant Improvements shall be conclusively deemed to have occurred as soon as (i) the Tenant Improvements to be installed by Landlord pursuant to this Work Agreement have been constructed in accordance with the Tenant Plans and approved change orders, other than minor defects in construction or deviations from the Tenant Plans of a minor or insubstantial nature which will not materially interfere with Tenant's Permitted Use of the Premises, such items to be of a type customarily noted on a punch list for leasehold improvements having a similar scope and magnitude as the Tenant Improvements, and (ii) Landlord tenders possession of the Premises to Tenant.
- 6.3 <u>Tenant Delays</u>. The following items shall be referred to individually as, and shall constitute for all purposes of this Lease, a "Tenant Delay" as and to the extent the same actually cause a delay in the completion of the Tenant Improvements which would not otherwise have occurred but for the occurrence thereof:
 - (a) Tenant's failure to comply with any of the deadlines specified in this Work Agreement; or
 - (b) Tenant's request that Landlord for any reason delay the award of the construction contact for the Tenant Improvements beyond the five (5) working day period referenced in Section 2.3(b), above; or
 - (c) Tenant's request for changes or additions to the Tenant Improvements subsequent to the date of Tenant's approval of the Tenant Plans; or
 - (d) Tenant's failure to pay when due any amounts required pursuant to this Work Agreement; or
 - (e) The performance of any work by any person or firm employed or retained by Tenant; or
 - (f) Tenant's request for materials, finishes or installations which are "long lead items", that is, items which are not generally available in a time frame

necessary to meet the general contractor's schedule for Substantial Completion; or

- (g) Any inspection approval is denied due to the acts or omissions of Tenant or its Agents, including denial of a temporary or permanent certificate of occupancy due to the improper installation by Tenant of any of its furniture, fixtures or equipment; or
- (h) Any other Tenant-caused delay.

In the event of any delay in the construction of the Building or any Tenant Improvements therein caused by Tenant Delay, the same shall not result in any delay in the Commencement Date of this Lease, even if the Substantial Completion of the Tenant Improvements was delayed beyond the Commencement Date set forth in Article 1 of the Lease, and in such event, the Commencement Date shall be the date Landlord reasonably estimates that the Tenant Improvements would have been Substantially Completed but for such Tenant Delay.

- 6.4 Punch List. Prior to delivery of possession of the Premises to Tenant, the architect designing the Tenant Improvements shall, in conjunction with Landlord's construction manager and Tenant, prepare a preliminary punch list in writing for Landlord and Tenant's review and Landlord and Tenant shall conduct a walk-through inspection of the Premises and shall agree on a final "punch list" which shall specify any items of work that require correction, repair or replacement. Tenant shall approve such punch list in writing within two (2) working days of the walk-through.
- 6.5 <u>Timing of Substantial Completion</u>. Notwithstanding any provision of this Work Agreement to the contrary, if Landlord has not achieved Substantial Completion of the Tenant Improvements on or before the Target Date (other than as a result of any Tenant Delay, the effect of which addressed below in this Section 6.5) then (i) Tenant shall be entitled to an abatement of Base Rent equal to one day of Base Rent for each day elapsing between the Target Date (as extended pursuant hereto) and the date Landlord achieves Substantial Completion of the Tenant Improvements, such abatement to commence on the Target Date (as extended pursuant hereto) and to end on the date Landlord achieves Substantial Completion of the Tenant Improvements, but excluding any days elapsing during such period as a result of any Tenant Delay (as to which such Base Rent abatement shall not apply), and (ii) the Expiration Date shall be extended by one (1) day for each day of Base Rent abatement granted under the preceding clause (i) (provided that if

the Expiration Date as so extended is other than the last day of the month, the Expiration Date shall automatically be extended to the last day of the calendar month in which the Expiration Date was otherwise adjusted). In the event Substantial Completion of the Tenant Improvements is delayed due to the effect of any Tenant Delay, then (a) to the extent such Tenant Delay occurred prior the Target Date, the Target Date shall automatically be extended one (1) day for each day the completion of the Tenant Improvements was delayed by reason of Tenant Delay, and (b) to the extent such Tenant Delay occurs after the Target Date (and thus after Base Rent abatement provided for in this section 6.5 has commenced), the Base Rent abatement shall cease to apply, but only during such period of Tenant Delay. By way of example only, and not of limitation, if Substantial Completion of the Tenant Improvements is achieved on March 25, 2001, and there had been 12 days of Tenant Delay prior to March 1, 2001, then the Target Date shall be deemed extended to March 12, 2001, Tenant shall be entitled to 13 days of Base Rent abatement commencing on March 13, 2001 and ending on March 25, 2001, and the Expiration Date shall be extended to December 31, 2015 (the last day of the month in which the adjusted Expiration Date of December 13, 2005 would have occurred). The Base Rent abatement provided for in this Section 6.5 shall constitute the only remedy available to Tenant as a result of Landlord's failure to achieve Substantial Completion of the Tenant Improvements on or before the Target Date.

7. Possession by Tenant. The taking of possession of the Premises by Tenant shall constitute an acknowledgment by Tenant that the Premises are in good condition and that all work and materials provided by Landlord are satisfactory except as to any punch list items noted pursuant to Section 6.4. Landlord agrees to cause the contractor to correct and complete any items noted on the punch list within thirty (30) days after completion of the punch list.

[Text Ends - Signatures Commence on the Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Agreement as of the 28 day of September, 2000.

LANDLORD:

ROCK CREEK M, LLC, a Maryland limited liability company

By: RCM, LLC, a Maryland limited liability company, Manager

By: ROCK CREEK ASSOCIATES F LIMITED PARTNERSHIP, a Texas limited

partnership, Manager

Name: R. Kevin Dougherty

Title: General Partner

TENANT:

MONTGOMERY COUNTY, MARYLAND

Name: William M-Mooney

Title: Assistant Chief Administrative Officer

RECOMMENDED:

Date

EXHIBIT C

To the Lease Agreement between ROCK CREEK M, LLC, a Maryland limited liability company ("Landlord") and MONTGOMERY COUNTY, MARYLAND ("Tenant").

Rules and Regulations - THE CAMPUS AT METRO PARK NORTH

The following rules and regulations have been formulated for the safety and well-being of all the tenants of the Building and become effective upon occupancy. Strict adherence to these rules and regulations is necessary to guarantee that each and every tenant will enjoy a safe and unannoyed occupancy in the Building. Any repeated or continuing violation of these rules and regulations by Tenant after notice from Landlord, shall be sufficient cause for termination of this Lease at the option of Landlord.

Landlord may, upon request by any tenant, waive the compliance by such tenant of any of the following rules and regulations provided that (i) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent; (ii) any such waiver shall not relieve such tenant from the obligation to comply with such rule or regulation in the future unless expressly consented to by Landlord, and (iii) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with the foregoing rules and regulations unless such other tenant has received a similar waiver in writing from Landlord.

- 1. The sidewalks, entrances, passages, courts, vestibules, or stairways, or other parts of the Building not occupied by any tenant shall not be constructed or encumbered by any tenant or used for any purpose other than ingress and egress to and from any tenant's Premises. Landlord shall have the right to control and operate the public portions of the Building, and the facilities furnished for the common use of the tenants, in such manner as Landlord deems best for the benefit of the tenants generally. No tenant shall permit the visit to its Premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment by other tenants of the entrances, and other public portions or facilities of the Building.
- 2. No signs, awnings or other projections shall be attached to the outside walls of any building without the prior written consent of Landlord. No drapes, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises, without the prior consent of Landlord. Such signs, awnings, projections, curtains, blinds, screens or other fixtures must be of a quality, type, design and color, and attached in the manner approved by Landlord.
- 3. No show cases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in any interior Common Area without the prior written consent of Landlord.

- 4. The water and wash closets and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein. All damages resulting from any misuse of the fixtures shall be born by the tenant who, or whose servants, employees, agents, visitors, or licensees, shall have caused the same.
- 5. There shall be no marking, painting, drilling into or in anyway defacing any part of The Campus at Metro Park North, Premises or the Building. No boring, cutting or stringing or wires shall be permitted. No tenant shall construct, maintain, use or operate within its Premises or elsewhere within or on the outside of the Building, any electrical devices, wiring or apparatus in connection with a loud speaker system or other sound system.
- 6. Except to the extent required under the Americans with Disabilities Act, no animals, birds, pets of any kind shall be brought into or kept in or about the Premises. In addition, no cooking shall be done or permitted by any tenant on its Premises except for a tenant's employee's own use. No tenant shall cause or permit any unusual or objectionable odors to be produced or permeate from its Premises.
- 7. No tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of this or any neighboring building or Premises or with any person having business with such occupants. No tenant shall throw anything out of the doors or windows or down the corridors or stairs.
- 8. No inflammable, combustible, or explosive fluid, chemical or radioactive substance shall be brought or kept upon the Premises, except for Permitted Materials to the extent allowed under Article 26 of the Lease.
- 9. No additional locks or bolts of any kind shall be placed upon any of the doors, or windows, by any tenant, nor shall any changes be made in existing locks or the mechanism thereof without prior approval from Landlord. Each tenant shall, upon termination of its tenancy, restore to Landlord all keys of stores, offices, storage, and toilet rooms either furnished to, or otherwise procured by, such tenant.
- 10. All removals, or the carrying in or out of any safes, freight, furniture or bulky matter of any description must take place during the hours which Landlord or its Agent may determine from time to time. Landlord reserves the right to inspect all freight to be brought into the Premises and to exclude from the Premises all freight which violates any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part.
- 11. Any person employed by any tenant to do janitorial work within its premises must obtain Landlord's consent and such person shall, while in the Building and outside of the Premises, comply with all instructions issued by the superintendent of the Building. No tenant shall engage or pay any employees on its Premises, except those actually working for such tenant on its Premises.

12. [Deleted]

- 13. Each tenant shall be responsible for all persons for whom he authorizes entry into or exit out of the Building and shall be liable to Landlord for all acts of such persons.
- 14. The Premises shall not be used for lodging or sleeping or for any immoral or illegal purpose.
- 15. No tenant shall occupy or permit any portion of its Premises to be used or occupied for the possession, storage, manufacture, or sale of liquor, narcotics, tobacco in any form. No tenant shall engage or pay any employees on its Premises, except those actually working for such Tenant on said Premises, nor advertise for laborers giving an address at said Premises.
- 16. Landlord's employees shall not perform any work for Tenant or do anything outside of their regular duties, unless under special instruction from the management of the Building.
- 17. Canvassing, soliciting, and peddling on the Premises is prohibited and each Tenant shall cooperate to prevent the same.
- 18. No water cooler, plumbing or electrical fixtures shall be installed by any Tenant without the prior written consent of Landlord, provided the provisions of Article 13 of the Lease shall supersede this provision.
- 19. There shall not be used in any space, or in the public halls of the Building, either by any Tenant or by jobbers or others in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and side guards.
- 20. Tenant shall not overload the floors or exceed the maximum floor weight limits of the Premises.
- 21. If Landlord designates a certain portion of parking area for employee or visitor parking, Tenant covenants that it will instruct its employees to park in such area to the extent of spaces available.
- 22. Tenant agrees not to conduct any vehicle or heavy machine repair or similar work at any place in the Project.
- 23. Tenant agrees not to operate any machinery in the Premises which may cause vibration or damage to the Premises; not to use a loudspeaker which can be heard outside the Premises, or to extend curb service to customers.

EXHIBIT D

DECLARATION BY LANDLORD AND TENANT AS TO DATE OF DELIVERY AND ACCEPTANCE OF POSSESSION, LEASE COMMENCEMENT DATE, ETC.

THIS DECLARATION is hereby attached to and made a part of the Deed of Lease dated — March— 28, 2000, (the "Lease"), between ROCK CREEK M, LLC, a Maryland limited liability company ("Landlord") and MONTGOMERY COUNTY, MARYLAND ("Tenant"). All terms used in this Declaration have the same meaning as they have in the Lease.

- (i) Landlord and Tenant do hereby declare that possession of the Premises was accepted by Tenant on February 28, 2001;
- (ii) As of the date hereof, the Lease is in full force and effect, and Landlord has fulfilled all of its obligations under the Lease required to be fulfilled by Landlord on or prior to said date (punch list items excepted);
 - (iii) The Lease Commencement Date is confirmed to have occurred on December 1, 2000.
- (iv) Pursuant to Section 6.5 of the Work Agreement (Exhibit B of the Lease), the number of days of rent abatement to which Tenant is entitled (if any) is _-O-_ days; and
- (v) The Lease Expiration Date is hereby established to be <u>November 30, 2015</u> unless the Lease is sooner terminated pursuant to any provision thereof.

[Signatures Commence on the Following Page]

EXECUTED as of the K day of war. 2001.

LANDLORD:

ROCK CREEK M, LLC, a Maryland limited liability company

RCM, LLC, a Maryland limited liability company, By: Manager

> By: ROCK CREEK ASSOCIATES F LIMITED PARTNERSHIP, a Texas limited partnership, Manager

Name: R. Kevin Dougherty

Title: General Partner

TENANT:

MONTGOMERY COUNTY, MARYLAND

Title: Assistant Chief Administrative Officer

RECOMMENDED

30097.05

Execution Draft

9/20/00